THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

Six Fateful Weeks in Tsinan

By J. J. Heeren

Japan's Plot to Seize Manchuria

By Kinglu S. Chen

The Recognition of the Nationalist Government

C. Y. W. Meng

Japanese-American Friction in North China

The U. S. Position on Manchuria

By Charles James Fox

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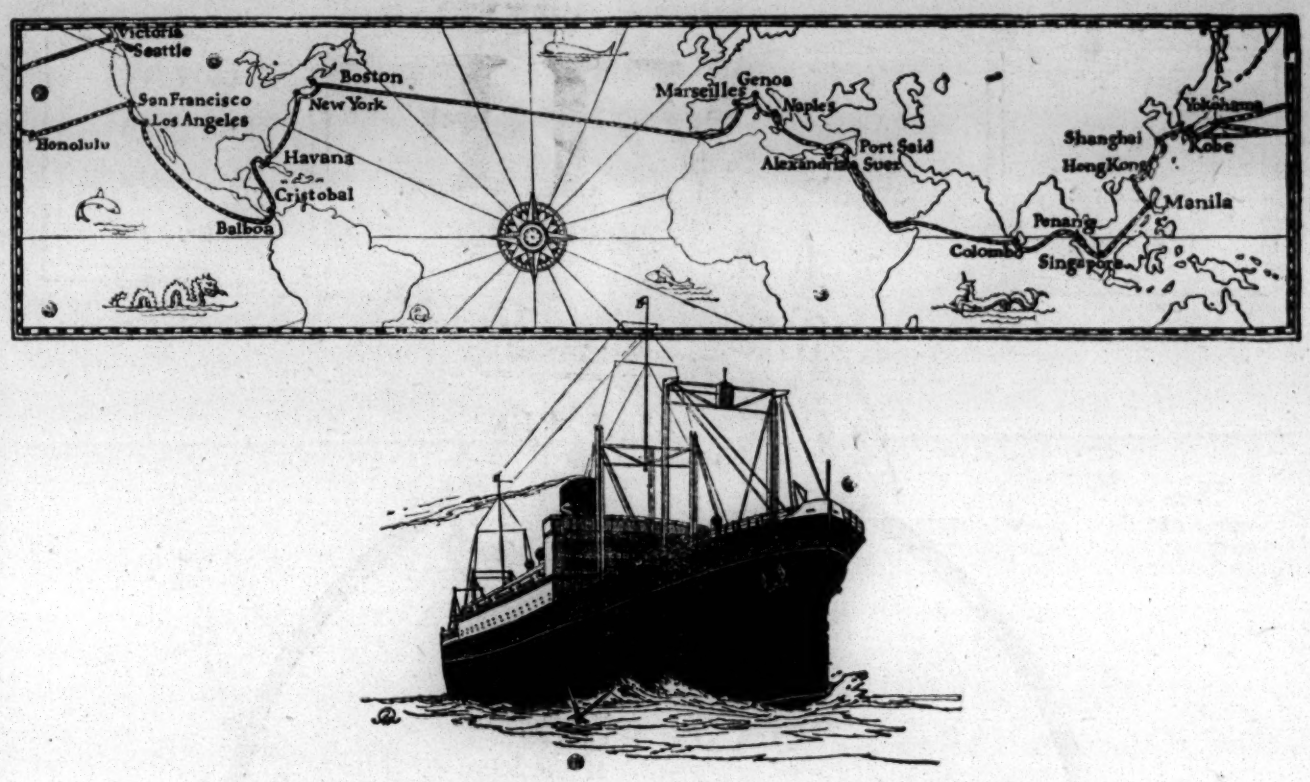

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PEKING'S FIRST BRUSH WITH NATIONALISM!

THE PEKING Diplomatic Corps seems to have come out second-best in the first brush with Nationalism if one is to judge from news reports from both Peking and Nanking dealing with the so-called Pao Yu-lin incident. It is reported that Mr. Oudendijk, the Dutch Minister, *doyen* of the Diplomatic Corps in Peking has sent several "sharp" notes to the Nanking Government regarding an alleged breach of faith pertaining to the evacuation of the Fengtien troops under Gen. Pao Yu-lin from the Peking district. To begin at the beginning, Mr. Oudendijk, acting on behalf of the Diplomatic Corps sent a note to the Nanking Government asking that the Fengtien troops in Peking under Gen. Pao Yu-lin be permitted to remain in Peking until the occupation of the city by the Nationalist troops. The Note stated that the Nationalist armies were approaching Peking and that there was fear that if Pao Yu-lin's troops evacuated too early Peking might be left without protection before the Nationalist troops could occupy the city. The Nanking Government agreed to this stating that "some arrangement will be made for the peaceful withdrawal from Peking of Gen. Pao's troops." This Note was signed by Mr. Y. L. Tong, Acting Minister of Foreign Affairs, the Note also stating that measures had already been taken for the maintenance of order in the Peking-Tientsin area. The Nationalist Government carried out this understanding and the Fengtien troops under Gen. Pao Yu-lin were permitted to "peacefully" evacuate the city simultaneously with the entrance of the Nationalist troops under Gen. Yen Hsi-shan. In other words there was no fighting within the city and no disturbance of peace and order. But when the Fengtien troops got outside of the city walls they were apparently met by the forces of Marshal Feng Yu-hsiang who disarmed them. This caused the Diplomatic Corps to lodge a protest with the Nanking Government alleging breach of faith, the Diplomatic Corps apparently assuming the reply of the Nanking Government covered safe conduct of the Fengtien troops entirely back to Manchuria. Mr. Oudendijk's original Note stated that the Diplomatic Corps had no intention of "interfering in the least with any military movements in China" but the succeeding actions of the Dutch Minister and some of his associates apparently do not carry out the spirit of that declaration for according to current reports the Diplomatic Corps is still insisting that the Fengtien troops be released and permitted to return to Manchuria with their arms.

According to a report of the incident sent out by the Nationalist *Kuo Min* news agency on June 17,

"Gen. Pao's troops peacefully withdrew from Peking on June 8, retreating in a north-eastern direction. Gen. Han Fu-chu of the Kuominchun forces did not give chase, but for reasons not known to us, Gen. Pao's forces on June 9 suddenly returned in disorder to the suburbs of Peking, looting as they passed various places. At this time Gen. Han's (Kuominchun) forces were proceeding to attack Tungchow.....there was danger of Gen. Han's forces being surrounded by the Fengtien troops; therefore it was an absolute necessity to disarm Gen. Pao's men. This was done about 20-li (7 miles) from Peking without the firing of a single shot...The Fengtien troops, numbering over a thousand, are now kept prisoners in the barracks at Nanyuan..... The Diplomatic representatives have no justification to interfere in our domestic affairs.....we have fulfilled our promises contained in our replies to their messages: firstly, peaceful withdrawal of Gen. Pao's men from Peking, and secondly they are afforded safety." According to the spokesman of the Nationalist Government there was no promise of anything except the "peaceful withdrawal" of Gen. Pao's men from Peking for the purpose of insuring safety for foreigners as well as Chinese in the Peking-Tientsin area."

The whole thing seems to be a sort of tempest in a teapot and unworthy of the serious concern of the Diplomatic Body for, according to the available information, the whole dispute hinges on the interpretation of the words "peaceful withdrawal" of the Fengtien troops. The Diplomatic Corps insists that this meant withdrawal *entirely back to Manchuria*, while the Nationalist Government maintains that it means peaceful withdrawal *from Peking only*. By raising a fuss over the incident the Diplomatic Body has enabled the Nationalists to make political capital of the affair by alleging interference in the internal affairs of China. The incident has also enabled the Nationalist Government to put over an important point which will be of increasing importance as time passes: its refusal to deal with the Diplomatic Corps as an organized body. This was indicated in the way the Nationalist Notes were addressed to Mr. Oudendijk as Netherlands Minister and not as *doyen* of the Diplomatic Body. Foreign consular officials in South and Central China who have had dealings with the Nationalists for the past two years and in consequence have obtained considerable education, will obtain considerable amusement from this first brush of the Peking Diplomatic Body with Chinese Nationalism—an entirely different proposition from dealings with old Chinese officials who were accustomed to looking upon foreign diplomatic officials with something closely akin to awe!

JAPANESE-AMERICAN FRICTION IN NORTH CHINA

THE JAPANESE semi-official *Toho* news service as well as the Japanese newspapers both in China and Japan have made much of a succession of incidents in North China which indicate a divergence of views on the part of the Japanese and American armed forces in the Peking and Tientsin areas. Most of the incidents taken alone are of no special consequence, but collectively they are important as indicative of widely divergent views regarding foreign policy toward China on the part of Japan and the United States. The first incident apparently had to do with the protection of the Tientsin area against a danger to foreign interests resulting from possible fighting in the vicinity on the part of Northern and Southern Chinese troops. According to the report sent out by *Toho* the Japanese commander at Tientsin, Gen. Arai recommended that the foreign garrisons at Tientsin should establish a line some 20 li (7 miles) outside the foreign concessions and then jointly warn the Chinese belligerents to keep away from this district, which would also include the large Chinese population within the native city at Tientsin. This is exactly what the Japanese have done on their own accord at Tsingtao and Tsinan and along the Tsinan-Tsingtao Railway in Shantung Province. According to the report sent out by the Japanese news service, several conferences were held by the foreign commanders at Tientsin wherein the Japanese put forth their proposal. The American military and naval commanders at Tientsin opposed the Japanese suggestion regarding the creation of a 20-li "neutral" zone and since they could not obtain unanimity of views, the plan had to be given up and in consequence the foreign troops in Tientsin were used only for the protection of the foreign concessions.

Another matter in which there was disagreement on the part of the Americans and Japanese had to do with the operation of a so-called "international" train between Peking and Tientsin. It is one of the provisions of the Boxer Protocol enforced upon China at the time of the Boxer Rebellion that China must keep the railway open between Peking and the Yellow Sea. In accordance with this Protocol it has always been customary for the foreign Powers in times of trouble in North China to insist upon the operation of a daily train between the Chinese Capital and Tientsin, the usual custom being to drape the train in flags of the various nations signatory to the Boxer Protocol and then with an allied guard on board to force their way through the Chinese lines. The Powers usually have been able to "put this over" but in 1925 when there was serious fighting along the railway the "international" train was fired on and serious complications were narrowly averted by the foreign passengers climbing out of the cars and hiding underneath. The train was unable to get through and had to return to Peking. The United States Government apparently made up its mind after that event that the operation of this train was no longer practicable, so when the subject was brought up by the Japanese recently the United States refused to participate. The result was that the plan had to be given up and in consequence the Japanese blamed the Americans for spoiling the show. Then in addition to this the American military forces which have been stationed at the town of Tangshan about 75 miles north of Tientsin on the Peking-Mukden Railway were withdrawn to Tientsin in order to prevent possible friction with the Chinese troops operating in that district. The Japanese semi-official press also made much of this incident, claiming that the Americans were not playing the game.

Then still further in addition to the foregoing there was a so-called "airplane incident" which has been magnified in the Japanese press as indicating lack of harmony between the Japanese and American military authorities. According to a report of the incident appearing in the English edition of the *Osaka Mainichi*, "an American airplane on June 6 made a circuit flight just below a Japanese machine, thereby obstructing the reconnoitering duties of the Japanese troops. This incident is confirmed in a telegram received in official quarters on the 7th instant. The Japanese authorities regard the curious behavior of the American garrison in a serious light, and they think that if America persists in disturbing the cooperative defense plans of the Powers, the Japanese garrison will be forced to take certain

measures for the guarding of the Peking-Tientsin district to protect Japanese interests."

As stated previously the foregoing incidents taken alone are inconsequential but in the aggregate indicate a wide divergence of policy on the part of America and Japan in respect to China. American policy in reference to the situation which has developed since the coming into force of the Nationalist revolution has been to do everything possible to avoid incidents. Americans residing in the interior of the country have been advised to remain in the coastal ports where they may be protected or evacuated. British policy has been along somewhat similar lines. Last spring the American naval authorities at Shanghai were instructed not to oppose any organized bodies of Chinese troops and apparently the same policy has been in force in the situation which has developed in the Peking-Tientsin area, it even being reported that the American authorities were contemplating the evacuation of the American Legation at Peking rather than face a situation similar to that prevailing at the time of the Boxer uprising when it became necessary to cooperate with the other Powers in dispatching a relief expedition. Japan, on the other hand has followed the policy in Shantung of attempting to protect her citizens in the interior of the country even where no foreign concessions exist. And then on top of the disastrous Shantung adventure, Japan actively interfered in the situation in North China when the Japanese Minister at Peking advised Marshal Chang Tso-ling to evacuate and threatened to disarm his troops in case he disobeyed Japan's instructions and was defeated. It is understood that Japan's actions in this regard aroused so much unfavorable comment among the other Powers, that the ultimatum to Marshal Chang Tso-ling was later withdrawn, but too late to relieve Japan of increased animosities on the part of all classes of the Chinese people. Recently it has been reported that the Japanese troops at Shanhaikwan have disarmed a considerable number of Chihli-Shantung troops which attempted to enter Manchuria. Then on top of it all was the bombing outrage at Mukden, the responsibility for which Japan cannot sidestep despite the activities of her propagandists who would place the blame on the Chinese. Some Chinese faction antagonistic to Marshal Chang Tso-ling may have been responsible for the placing of the bombs which blew up Marshal Chang Tso-ling's train and resulted in the killing and wounding of many prominent Fengtien officials, but obviously the bombs could not have been placed under the viaduct of the Japanese Government-owned South Manchuria Railway which was closely guarded by Japanese troops, without the connivence of the Japanese. There can be no disputing this point.

The Japanese military party has been playing a desperate game in China, which has aroused suspicion all over the world and although the American Government has not issued any official statement on the subject there can be no misunderstanding the attitude of the United States in regard to Japan's present activities both in Shantung and in Manchuria. As Mr. Kellogg, Secretary of State, declared in a newspaper interview several weeks ago, "the United States has always considered Manchuria as Chinese territory and as such fully covered in the Nine-Power Treaty signed at the Washington Conference." Japan's so-called "special interests" in that area are nothing more than property interests involving the ownership of the South Manchuria Railway and associated enterprises which while extensive are essentially no different from the property interests of other foreigners in other parts of the Chinese Republic. Japan does hold the Kwantung Peninsula and Port Arthur under lease, but legally speaking this lease was long ago abrogated by the Chinese Government as was clearly indicated in an article on this subject by a Chinese writer, Mr. Chen Chin-jen, which appeared in *The Review* on June 16 last. The attempt of General-Baron Tanaka, the present Japanese Premier and the military party in Japan to claim special political and administrative rights in Manchuria has no legal basis whatever and are only maintained by force of arms. But in doing this Japan is rapidly getting herself into serious international difficulties with at least three important countries, the United States, China and Russia, the ultimate disastrous results of which to Japan's future need not be mentioned to be fully understood!

BRISTOL AND CLEMENTI ON COMMUNISM!

SIR CECIL CLEMENTI, Governor of Hongkong, while passing through Japan on his way home on leave, was recently interviewed by the *Japan Chronicle*. It was shortly after the Sino-Japanese clash at Tsinan, so according to the interview, Sir Cecil Clementi, "agreed with the other authorities" that the initial blame for the trouble at Tsinan was due to Communists in the ranks of the Nationalist Army. He then elaborated on the subject and stated that the trouble at Tsinan was due to the incorporation in Gen. Chiang Kai-shek's army of the troops of Gen. Chang Fa-kwei, "a Communist pure and simple whose troops are undisciplined savages. There was bound to be trouble," declared the Governor of the British Colony." In view of this situation Japan had no alternative but to send troops to Shantung for the protection of her nationals, was the opinion he expressed in the interview. He then paid a high compliment to Gen. Li Chi-sum, head of the present Canton Government who "had suppressed all signs of Communism wherever the opportunity had been presented. This is not to say there is no Communism in these Provinces (Kwangtung and Kwangsi). Unfortunately there is still a great deal, a legacy of the days of Borodin, but it seems that Gen. Li is doing his best to cope with the menace, and we all hope he will prove successful.....Communism retains a hold in Southern China, but it is difficult to distinguish it from plain brigandage. The Communists are mainly the 'have-nots' intent on having. There have been horrible outrages, especially at Swabue, where Pan Pai established himself; and the massacre recently of a hundred thousand people in southern Hunan.....etc."

Now we turn to a report of an address by Admiral Mark L. Bristol, Commander of the U. S. Asiatic Fleet delivered before the members of the American Association in Peking on May 29, in the course of which the American Admiral also referred to the subject of Communism in South China. According to a report of the address which appeared in the *North-China Standard*, Admiral Bristol expressed the opinion that conditions in South China were settling down and were encouraging for the time being. To quote from the report, "He had heard much about communism and the bolshevist influence. The bolshevists did have influence but he was suspicious of how much they had. The Chinese were not easily influenced, he thought, and the communistic idea had not penetrated into the social life of the Chinese. However, it had brought about a condition of unrest which constituted danger. He

alluded to the disturbances in Eastern Kwangtung, where there was a real Chinese agitation, a rising of the lower classes against the higher, who oppressed them. This was a true Chinese agitation and was not 'red.' It was an exhibition of the oppressed rising up against those who oppressed them. At least this was his impression. To deal with another side of the question—the attempt by the Chinese themselves to eradicate communism in their country—the Admiral believed that these extreme measures may serve only to make martyrs of the Communists and drive them under cover. This would make matters worse. Admiral Bristol then urged Americans who have influence in China to strike a warning note in connection with the ruthless, suppressive measures adopted by the Chinese."

Turning back to the interview with Sir Cecil Clementi in the *Japan Chronicle*, we find him referring to the so-called Russian menace and declaring that "of the fact of Russian influence in past years there can be no doubt. They have been active since 1925, their campaign being directed against Britain and British interests. If any incident arose in those days which tempted the Southerners to institute a boycott against Japan, Borodin instantly forbade it, and insisted on their efforts being concentrated solely against Britain. Had they succeeded in their attack on Britain, then, of course, it would have been a different matter, and some other power would have been selected as the next target....."

This statement by the Governor of Hongkong is of course most foolish for the Chinese anti-British agitations beginning in 1925 were due entirely to a succession of incidents beginning with the shooting of Chinese students and laborers by Shanghai Municipal police on May 30 of that year which was followed by a similar incident at Shameen and then there were other similar incidents at Hankow and Kuikiang and finally the bombardment of Wanhsien by the British river gunboats. This was the cause of the anti-British agitations and boycott of 1925 and Borodin, the Russian-American adviser to Dr. Sun Yat-sen, had nothing whatever to do with it. Borodin had much to do with the organization of the Kuomintang political propaganda which broke down the morale of the Northern militarists before the advance of the Nationalist armies, but obviously Borodin had nothing to do with the inception of the anti-British agitations in Shanghai in 1925. He may have had considerable to do with the later stages of Anti-Britishism in China, but anythtng he may have done in that regard was certainly matched in kind by the Anti-Russian campaign conducted in China by British propagandists, official and otherwise. Sir Cecil Clementi's charge that Communism in Gen. Chiang Kai-shek's army was responsible for the Tsinan incident, is also pure moonshine for Gen. Chang Fa-kwei, who was mentioned by Clementi as being responsible is not even in China and is supposed to be in Europe.

Recently there has been a significant tendency on the part of British colonial interests in Hongkong to establish closer relations with Japan, a matter which has been referred to previously in these columns of *The Review*. It is yet too early to determine just what is back of it, but first we had the visit of the Japanese fleet to Hongkong and then Sir Cecil Clementi's remarks in Japan in which he declared that the British authorities in Hongkong "certainly will not tolerate for a minute in the Colony the style of thing which the Canton authorities previously permitted—pickets and intimidation," meaning by this an anti-Japanese boycott and agitation. Superficially it would appear that there is a tendency on the part of British colonial interests and the Japanese to get together into some kind of an alliance against "communistic" influence in China, both being affected by the rapid development of Chinese Nationalism—which is an interesting situation in view of the fact that it was the so-called Russian menace in the Far East which was largely responsible for the previous Anglo-Japanese Alliance.

DR. PAUL MONROE POINTS WAY FOR SETTLEMENT! *

THE CHINA situation and the multitude of problems contained therein looms large in the eyes of the average Shanghai foreign resident. The situation to him strikes close to home, affects him in a multitude of ways, primarily economic, and threatens the privileges he has so long enjoyed that he has come to look upon them as a right, not a privilege.

Most Shanghai foreigners have decided opinions as to how to solve the China problem and these have been voiced loud and long for the benefit of the home governments in the hope that the latters' policies toward China will be influenced thereby. But judging from the works of recent investigators writing of China and her problems, foreigners resident in China are likely to have little voice in the settlement of problems existing between China and the Powers. The task is one of compromise between the Powers and China and is one to be assumed by the home governments rather than their nationals resident in China.

Dr. Paul Monroe of Columbia University, New York, was in China last year. The result of his trip is a volume called, "China, a Nation in Evolution." Following a lengthy historical sketch of China, her people and their development, Dr. Monroe records a searching discussion of the present day Chinese problems. Searching and thorough in his methods, he reduces to simple statements the pros and cons of various suggested policies toward China.

Speaking of the foreign residents in China and their interests therein, compared with the interests of the nations at large toward China, he believes it would be folly to allow a "handful" of foreigners in China to decide the policies of their governments toward this country, to decide upon a policy which might involve millions in war and possibly lead to another world war.

As regards America's interest in China, Dr. Monroe believes it is a job for Washington to decide what policy is to be upheld out here, rather than for Americans in China.

"The task is one of compromise and is to be assumed by the home government," he believes. "It would be folly to allow twelve thousand Americans in China or the four thousand American residents of Shanghai, or the 2,472 voters of the Shanghai municipality, or the few hundred American voters of the Shanghai municipality, to decide the policy for the American nation—the policy which might involve the whole 130,000,000 of our population in war; or, eventually, the population of many nations in another world war."

The viewpoint of the die-hard or those who advocate force in settling the Powers' problems with China gets little sympathy from this writer, who in the course of 432 pages of his book presents an array

*China, A Nation in Evolution, by Dr. Paul Monroe, Director of the International Institute and Barnard Professor of Education, Teachers' College, Columbia University, New York. The MacMillan Company, New York.

of facts and arguments which would be difficult to disprove.

In the opinion of the writer, the chief contribution which the Western powers can make to China, and that with little sacrifice in the long run, except as it affects a limited number of individuals—is to grant the political demands, relinquish the indefensible privileges (meaning extraterritoriality and the like) and allow the Chinese, if they will, to concentrate on their real problems.

"These can never be solved unless major attention is given to them: nor can they ever be solved by the application of military force by the West. All these changes will take time, time counted by generations. All the more reason why the political problem, so far as the West has complicity in it, should be solved."

The political demands of China have been acknowledged "in principle" as well founded, both by Great Britain and America.

"In fact," according to Dr. Monroe, "in the treaty which immediately followed the protocol made in settlement of the Boxer uprising—the Mackay treaty of 1901—Britain provided for the future abolition of the right of extraterritoriality. The practical problem of making the concrete adjustments is more difficult for her than for America. The British business interests in China take the same attitude of hostility to a settlement on these bases as do the American; and the British interests are far more numerous, financially and politically powerful, and vociferous. So vociferous are they, indeed, that informed Chinese state the chief obstacle to a friendly understanding with Britain is that created by the leading English newspapers in China."

In the mind of this writer, it must be obvious to the foreign business men and die-hards in China that their governments are not going to protect by force his special business privileges based on unilateral treaties, and in fact most of them have become reconciled to the relinquishment of extraterritoriality.

The attitude and policy of the West toward China, he writes, is archaic. Our political and diplomatic relations are antiquated; based on treaties of which the spirit is that of past generations, claiming and securing privileges exacted of no other people, and existing nowhere else among civilized peoples.

"Not until these antiquated conceptions and conditions are modernized and based on justice, efficiency and good-will, will the problem of China be solved."

Dr. Monroe supplies a clear and simple statement of the problems existing between the West and China.

J. M.

MORE JAPANESE NEWS-PROPAGANDA!

IN LAST WEEK'S issue of *The Review* attention was called to several glaring cases of Japanese propaganda which had appeared in the daily reports of the semi-official Japanese *Toho* news service which had been printed in the local Chinese and foreign newspapers. Here is another example: On Sunday, June 17 the *Toho* news agency circulated a report to the foreign and Chinese newspapers in Shanghai which purported to be an interview with Lieut.-General Matsui, chief of the intelligence bureau of the Japanese General Staff who had been in Tsinan for several days investigating conditions, but who had just returned to Tokyo. In this interview Gen. Matsui expressed his views regarding conditions in Tsinan, saying, "the present situation (in Tsinan) does not allow us to consider the withdrawal of our troops. In fact the uneasiness in Tsinan has not yet been cleared up and the *American and British Consuls there said that they would also leave Tsinan if the Japanese troops were withdrawn at the present time.*" We have italicised Gen. Matsui's alleged reference to the attitude of the American and British Consuls in Tsinan regarding the withdrawal of the Japanese troops. While we have no way of knowing what either the American or British Consuls said to Gen. Matsui in Tsinan, we do know that such a statement from an American Consul would be directly contrary to the official attitude of the American Government regarding Japan's Shantung adventure. Hence we frankly believe the *Toho* message to be false and put out in China for the purpose of misleading the Chinese people regarding the attitude of the American and British Governments. In view of the seriousness of this matter both the American and British Governments should bring this incident to the attention of the Japanese Government and insist upon an immediate denial of the Japanese news report.

JAPANESE DEMANDS OVER THE TSINAN INCIDENT

ACCORDING to a *Reuter* report from Tokyo on June 16, the Japanese Government is planning shortly to open negotiations with the Nationalist Government for a settlement of the Tsinan incident and in this connection is planning a series of demands:

1—Compensation for the deaths of their nationals and for losses to Japanese property as a result of looting by Chinese troops.

2—Apology by the Nationalist Government.

3—Punishment of Chinese troops responsible for the incident.

4—Guarantee against similar future incidents.

The *Reuter* report stated that pending acceptance of these terms the Japanese troops will be retained in Shantung and that no Chinese political propaganda will be permitted within the Japanese zone of 20-li (7 miles) about Tsinan and Tsingtao and along the 250-mile Tsinan-Tsingtao Railway. Then in addition to the foregoing a Japanese *Toho* agency report from Tsingtao on June 14 stated that the Japanese are planning the following proposals regarding the future disposition of the Port of Tsingtao:

1.—A preparatory committee shall be formed by Chinese, Japanese, Europeans and Americans, and from 5 to 20 persons be selected as members of the Committee. The ratio of the members of the Committee will be decided later.

2.—A special municipality be established with a Chinese as the Mayor, and Japanese and other foreigners be appointed to assist the Mayor.

3.—A special organ of voting be established in the proposed Municipality, the administrative organ shall ask for approval of the said organ in executing all affairs.

4.—The special organ of voting shall be formed by representatives elected from among Chinese, Japanese and other foreign residents. The Japanese deem the following ratio suitable:—5 or 6 Chinese; 3 or 4 Japanese, and 1 or 2 foreigners.

5.—The task of maintaining peace and order in the city be entrusted to the police or Pao An Tai, under the supervision of the special municipality.

6.—The budget for the revenue and expenditure of the municipality requires the approval of the special organ of voting.

There are also reports in circulation that Japan will insist upon the Nationalist Government immediately paying up some two years' arrears of interest and amortization payments on the Shantung

Railway loan which are said to be in default. Then, of course, there is the Manchuria question, the Chinese tariff question, the question of a satisfactory Sino-Japanese commercial treaty and innumerable other outstanding questions which the Japanese are expected to insist upon as a condition for the withdrawal of their troops from Shantung Province.

The intentions of the Nationalist Government, obviously, will be to keep the negotiations narrowed to the Tsinan case, in which connection it is interesting to learn that the Chinese have themselves drawn up a considerable bill for damages. According to a report appearing in the *China Times* last week the Chinese committee which has been making an investigation states that the number of Chinese killed at Tsinan was 3,618 and the number of wounded, 1,375. Chinese property losses are estimated at approximately $3,850,000, the various items including damages to the Tsinan city wall and public buildings, the arsenal and powder magazine which was blown up, the destroyed wireless station, damages to public utilities, damages to the Yellow River Bridge and railway property, damages to private property and business losses. The Japanese now have some 17,000 troops in Shantung Province and according to a report circulated by the *Ta Chung* agency last Sunday, there are now 12,000 Japanese troops in South Manchuria, the forces being distributed as follows:

Between Changchun and Menchin....600 infantry

Between Menchin and Sumintun....600 infantry and cavalry.

In districts in the vicinity of Mukden....7,000 infantry.

Between Suchiatun and Antung....600 infantry

Between Suchiatun and Pulantien.....600 infantry and cavalry.

REPUBLICANS NOMINATE HOOVER AND CURTIS

HERBERT Hoover, who at present holds the position of Secretary of Commerce at Washington, D. C.,—a native of Iowa and an adopted son of California—was nominated the Republican candidate for the Presidency of the United States on the first ballot at the Republican National Convention at Kansas City on June 15. Charles Curtis, United States Senator from Kansas, a man who has American Indian blood in his veins, was nominated for the Vice Presidency, also on the first ballot. It will be noted that the Presidential candidate is from the Far West and the Vice President from the Middle West. The nomination of Senator Curtis will go far to placate the farmer vote, which was considerably disappointed at the action of President Coolidge in vetoing so-called farm relief bills. Secretary Hoover's nomination is of particular interest to Americans resident in this country owing to the fact that in his younger days he held an important position at Chinwangtao as director general of the Chinese mines which were later incorporated in England as the Chinese Engineering & Mining Company. When Mr. Hoover came to China in pre-Boxer days he was accompanied by his wife, who before her marriage was Miss Lou Henry, both of them graduates of Leland Stanford University. Mr. Hoover's activities in China were referred to during the campaign, but an attempt to discredit him in this connection proved abortive. Although conditions in China have changed very much in the last thirty years, the mere fact that he has been a resident out here ought to be a valuable asset to him in handling America's relations in the Far East in case he is elected.

The following telegram was received by *The Review* from the *Chicago Tribune*, giving details of the Republican platform,

Chicago, June 15.—The platform which was adopted at the Republican National Convention at Kansas City endorses the administration of President Coolidge and pledges a continuation of the Coolidge economy program and favors the continuance of a protective tariff for the United States and a continued reduction of domestic taxation.

The Platform also favors legislation providing for farm marketing relief but rejected a plank endorsing the so-called equalization fee system covered in the McNary-Houghton Bill which President Coolidge vetoed. The platform contains a plank supporting an American-built, owned and operated merchant marine. Vigorous prohibition enforcement is also supported. There is also a clause supporting continued restriction of immigration.

Secretary Frank B. Kellogg's proposal for multilateral international peace treaties to outlaw war with all nations willing to sign same, received approval.

In reference to the Administration's China policy the platform carries a plank declaring that the Administration looks with keen sympathy upon the tragic events in China and has strictly avoided interference in the internal affairs of that unhappy nation. American Marines are being maintained in China merely in sufficient numbers to protect the lives of Americans in China for legitimate business reasons and for the still larger numbers of Americans who are in China for nobly humanitarian reasons. In further reference to China, the Platform declares:

"The United States has not been stampeded into making reprisals, but has consistently taken a position of leadership among the nations in a policy of wise moderation. We are always glad to be of assistance to China when our duty is clear."

On the general subject of foreign policy the Republican Party maintains its traditional American policy of non-interference in the political affairs of other nations. In reference to the League of Nations, the Platform declares:

"This Government definitely refused membership in the League of Nations and refuses to assume any obligations under the convenant of the League. On this we stand. In accordance, however, with long established American practice of giving aid and assistance to other peoples, we have most usefully assisted by cooperation in humanitarian and technical work which has been undertaken by the League without involving ourselves in European politics by accepting membership."

In reference to the foreign trade of the United States' the Republican Party "has always given and will continue to give support to the development of American foreign trade which makes for domestic prosperity, During this administration enormous strides have been made in opening new markets for the products of American farms and factories. Through these foreign contacts, mutually better international understandings have been reached which aids in the maintenance of world peace.

In reference to Americans abroad, the Platform declares, "The Republican Party promises a firm consistent support for American persons and legitimate interests abroad in all parts of the world, but this support will never contravene the rights of other nations."

The Platform also contains clauses pertaining to opposition to the cancellation of foreign debts and a proposal for a full ratio navy and the drafting of all material resources in time of war. It declares that "the foreign policies of the Administration express the will of the American people working actively to build up cordial international relations and understanding." In reference to Nicaragua the Platform "absolutely repudiates any idea of conquest or exploitation.

Chinese Students May Attend U. S. Officers Training Camps

Chinese students will be allowed to attend Reserve Officers Training Camps in the United States during the coming summer provided they do so without expense to the United States, according to an announcement by the U. S. Department of War May 16, which follows in full text:

The Secretary of War has received a copy of a note from the Chinese Minister requesting authority for Chinese students to attend Reserve Officers Training Camps during the coming summer. The permission has been granted, provided it operates without expenses to the United States. The Secretary of War has suggested to the Chinese Minister that the students should make their applications to that corps commander who has supervision of the particular camp the applicant desires to attend.

Chinese Students Go In For Military Training!

Fifteen Thousand Chinese Students in Shanghai Schools have Enlisted as Cadets for Military Training. The Pictures on this Page Were Taken at the Public Recreation Grounds on Sunday, June 10, when some 5,000 Chinese Boys and Girls Who Have Enlisted as Cadets Were Reviewed by Local Chinese Military Officers, Gen. Ho Ying-tsin, Chief-of-Staff of the Nationalist Military Headquarters at Nanking Has Been Appointed Director of Cadet Activities.

The Chinese Girl Students are Not a Step Behind Their Brothers When it Comes to Patriotic Activities. Thousands of Chinese Girl Students Have also Enlisted in the Cadet Corps as Nurses and Assistants and Appeared at the Recreation Grounds on June 10 to Participate in the Inspection by Nationalist Military Officers.

The Chinese banner in the picture at the top of the page urges the Chinese students to "arise and arm" for the defense of their country. It also contains an attack on General-Baron Tanaka and Japanese Intervention in China.

The Shanghai Municipal Police of the International Settlement Did Everything Possible to Spoil the Chinese Student Cadet Review by Arresting some 150 of the Students Who Attempted to Pass Through the Settlement in their New Uniforms. As Reported in Last Week's Issue of *The Review*, the local Settlement Police Arrested a Large Number of the Students, both Boys and Girls, and Took Them to the Police Stations Where Their Uniform Jackets and Caps Were Removed. This Picture Shows How Some of the Students Were Forced to Appear at the Parade Grouuds Minus Parts of Their Uniforms. Those in the Front Row Are Girl Cadets Who Had Their Caps, Puttees and Nationalist Insigina Removed by the Local Municidal Police. It is Reported that the Police Were Later Forced to Return the Uniforms upon Representations of the Local Chinese Authorities.

Japanese Version of Mukden Bombing

The following account of the bomb attack on Chang Tso-lin by a Japanese Major named Giga was published in the Manchuria Daily News, a Japanese semi-official paper published at Dairen: Maj. Giga was in the same car as Chang Tso-lin and got wounded in the foot, besides sustaining cuts from the broken glass in the face:—

I had my overcoat on as I felt cold and got on my legs to take my helmet as the train neared the destination when heard a loud explosion and was felled on the floor, buried amidst splinters that fell from the ceiling. I thought at first that it was a railway collision. A peep through the debris made me catch a glimpse of both Chang Tso-lin and Wu chun-sheng lying on the floor. The black smoke that filled half the car and the smell of the gunpowder told me by insight that something serious had cropped up. I hastened to raise Chang Tso-lin and calling one of the body-guard, made him have a look round, lest we might receive a baptism of machine rifle fire. Shortly a party of mounted gendarmerie under Chien Ming from Shenyang Station, together with a Ford, arrived. Chang was helped into the car and reached the Generalissimo's Office at 6 a.m. Chang sustained bruises on the upper half of the face about the bridge of the nose and was picked up unconscious, later recovering his conciousness. Mil.-Com. Wu Chun-sheng from Tsitsihar got wounded about the eyebrows. Agriculture and Industry Minister Mo Teh-ui, War Minister Chang Ching-hui, and Foreign Vice-Minister Wu-chen, who chanced to be in the fore half of the state car in which Chang-Tso-lin was with Mil.-Com. Wu and myself, are believed to have got seriously wounded. Chief-of-staff Yu Kuo-han was only slightly injured and is in the Military Hospital.

Several bloodstains were seen on Maj.-Giga's pantaloons.

He added that he was going back to Tientsin with as little delay as possible.

The following statement was issued on June 8 at Manila by the Japanese consulate in that city, as published in the Manila Bulletin;

The Japanese Consul General at Manila is in receipt of an official report telegraphed to the Foreign Office by the Japanese Consul General at Mukden regarding the assassination plot against Chang Tso-lin on June 4.

"Following the demolition of Chang's train, the Japanese Consul General at Mukden sent Consul N. Uchida to the scene who is now investigating the matter, together with the Chief of the Japanese Section of the Foreign Commissioner's Office of Mukden.

"According to Captain Tomiya, commander of the Japanese garrison which was guarding the railroad around the spot where the incident occurred, in the afternoon of the 3rd, the Chinese gendarmerie requested the Japanese gendarmerie to guard the South Manchurian railway as they themselves would take charge of the safeguarding of the Peking-Mukden railway. In compliance with the request, the Japanese commander of garrison sent to the gendarmerie station 150 meters distant from the crossing point of the two railroads a party composed of 1 officer, 16 non-commissioned officers and 12 gendarmes, in order to guard the South Manchurian railway.

"On the other hand, Chinese gendarmes under command of Lieutenant Chin, were detailed between Huang-Kutung and Sheng-yang stations along the Peking-Mukden railway. At the point where the South Manchurian railway intersects the Peking-Mukden railway, the former passes over the latter on a bridge, the guarding of which was conceded to the Chinese soldiers by request.

"The commander of the Japanese gendarmes, wishing to avoid any misunderstanding between the two parties retained his men at the said gendarme station and had them watch vigilantly the neighboring district, while 1 or 2 gendarmes were ordered occasionally to patrol in the vicinity of the bridge in order to keep in touch with the Chinese gendarmes.

"At about half past 3, a.m. of the 4th, the Japanese discovering 3 suspicious Chinese to the west of their station, the sentry demanded who went there, but the Chinese tried to flee and the Japanese were obliged to kill 2 of them, 1 escaping. In the pocket of one of the dead was discovered a bomb of Russian make and a torn letter in the Chinese language with an envelope bearing the address of Yayoicho, Japanese concession along the South Manchurian railway, and the name of Ling Yin-ching, entitled commissioner for 3 Eastern provinces.

"Toward dawn, street traffic became heavy with Chinese coolies, but nothing of any consequence happened. At 5:30 a.m. suddenly an explosion was heard and instantly light machine guns were shot in all directions by Chang's guards who jumped down from the wrecked train. One bullet hit the Japanese gendarme station, but the Japanese refrained from shooting back. Chang's men, excited by the incident, shot at random and did not mean to aim at the Japanese. They soon ceased to shoot and immediately afterward, the Commander-in-chief of the Chinese Gendarmes, Tsai, arrived, followed by automobiles. Chang Tso-lin and others were carried by the automobiles toward the walled city. At the explosion spot many dead bodies of coolies and others were lying.

"Chang Tso-lin and Yu-kuo-han, Assistant Chief of Staff, are said to have been slightly wounded while Wu Chung-sheng Tuchan of Hoilungkiang province and Mo Te-hui, Minister of Agriculture and Industry of Peking Government, were seriously injured.

"The Manchurian railway was wrecked, while the Peking-Mukden railroad suffered no damage. The explosive seems to have been installed at the bridge before hand and exploded by an electrical device."

Chinese Officials at Mukden Refuse to Sign Bomb Report

A joint enjuiry was made by the Japanese and Chinese authorities at Mukden into the bombing of Chang Tso-ling's train end of last week, but when the time came for signing, the Chinese authorities refused to sign, according to a *Toho* telegram from Mukden dated June 15.

Economic Conference To Meet in Shanghai July 1

The following prominent leaders of the country have been invited to participate in the Economic Conference called by Mr. T. V. Soong, Minister of Finance, and scheduled to be held in Shanghai on July 1:

(a.) *Industrialists*:—(From Shanghai)—Yu Ya-ching, Moh Yut-tsu, Ku Hsiang-yi, Jen Kwei-sen, Wang Yi-ting, Yung Chung-ching, Feng Siao-shan, Wang Shiao-lai, Chow Chung-liang, Su Min-san, Chang Chia-fu, Kwok Pew, Chow Hsiang-peng, Hsu Tsing-jen, Hsu Ching-yuan, Ling Kan-hou; (from Hankow) Chow Ching-tang and Lin Ping-yi, (from Canton) Chow Ting-pang and Hu Sung-tang.

(b.) *Bankers*:—(from Shanghai); W. K. P. Chen, Chen Hang, Wu Ta-chuan, Cheng Kung-chuan, Li Fu-sen, Pei Sung-sun, Ku Yi-koh, Chieh Hsin-tsi Hu Meng-chia, Hu Poh-kiang, Chen Su-ching, Hsu Hsin-loh, Nee Yuan-fu, Hsu Chi-eng, Sun Chung-sz, Yen Fu-shao, Wu Weng-tsai, Chin Yun-ching, Shen Shu-yueh, Sun Han-yu, Tang Shao-min, Huang Min-tao, Hsia Chi-fu, Chen Tsz-hin; (from Peking and Tientsin) Chow Cha-min, Tan Tang-ai, Kai Peh-mei, Yang Yin-sun, Lu Kiang-chuan; (from Hankow) Wang Yi-ling; (from Canton) Li Tsze-ping; (from Manila) Sih Ming-lao.

(c.) *Specialists*:—Tai Hoh-lu, Shou Yi-cheng, Chow Ting, Sheng Chun, Pan Hsu-lun, Hsu Yung-tsu.

(d.) *Military Circles*:—Hsia Sun-peng, Hsia Kwang-yu, Yu Yuan-chen, Li Chung-hsi, Wu Chen-tsai, Chao Yun-mei.

(e.) *Members of the Ministry of Finance*.—Chang Fu-yung, Chien Chien-kwei, Chia Kuo-peh, Li Tiau-sen, Cheng Shu-tu, Chung Heng-ching, Szeto Chun-hao, Chow Ling, Chow Ming-tsu, Li Kan, Li Cheng-yi, Loy Cheng, Hsia Chi, Ling Tsze-feng and Yao Yung-peh.

Y. M. C. A. Conference at Pootoo

Dr. David Z. T. Yui on June 14 addressed the delegates of the fifth employed officers conference of the Y. M. C. A., which is being held at Pootoo Island. Dr. Yui reviewed the work of the Y. M. C. A. and pointed out the changes that had taken place in the five years since the last conference of a similar character was held at Nanking.

The first two days of the conference were exclusively devoted to the hearing of reports from the thirty-three Associations represented. Commencing with the third day of the conference, the program began to be featured by set addresses. Among those who spoke were Dr. Fletcher S. Brockman, Associate General Secretary of the National Council of the Y. M. C. A's of North America; Mr. Chas. A. Herschleb, Corresponding Secretary for the Far Eastern Area of the National Council; Mr. Z. H. Tong, General Secretary of the Shanghai Y. M. C. A.; Mr. Daniel Fu, General Secretary of the Nanking Y. M. C. A.; and Mr. K. Z. Loh, secretary of the Boys' Department of the National Committee. Both Dr. Brockman and Mr. Herschleb recently arrived from New York to attend the conference as special delegates. Another special delegate was D. Maruyama from Tokyo, Japan.

The discussion of the conference was carried out in small groups, centering around the four main themes:—(1). The Y. M. C. A. as a Character-building agency, (2). The Y. M. C. A. as an educational agency, (3). The Mission of the Y. M. C. A. in the New Era of China; and (4). The future relationship between the Y. M. C. A. movement in China and that in North America.

International Riddle in the Chinese Revolution

T. L. SHEN

THE Nationalist revolution in China has been making such rapid progress in a limited period of time that it is difficult for people to ascertain the exact cause and effect of every move or turn in the politico-military situation which has so often characterized its present stage of development. Any successful observer, however, when free from illusion caused by propaganda, usually sees how closely forces of international politics have interacted with so many important happenings on the Chinese field. The Chinese revolution in a sense has been a definite attempt to release China from such patronizing and dictatorial influences, whether economic, political or otherwise, of the interested powers. Not until such time when China has established a modern nation on her own feet, sympathetically supported but not in the least controlled by her neighbouring states, can it be said that the present revolution has accomplished its main task.

Inconsistent International Politics

That the early years of China's revolutionary life were unduly dominated by alien forces—particularly the decade of internal wars among the militarists who largely derived their support from foreign interests, following the utter failure of Yuan Shih Kai's monarchical design, also a noticeable project of international significance—is now a well-established fact. Then came the Washington Conference with Wilson's capitalization of post-war idealism, in his famous principle of "Self Determination of all Races", which really marked the beginning of China's nation-wide awakening against imperialism. The Conference would have killed both the policy of international concert and that of international competition in regard to China, had it not finally yielded to the gestures of Japan and Europe, which countries, failing to renew the former policy and upon the collapse of the old, have succeeded in clinging to the latter before it will be likewise defeated by its own weight. Although we still notice the usual exchange of views among London, Tokyo, Washington, etc., and the regular meetings of the diplomatic corp in the nominal capital of Peking, it is evident that a united front in the traditional sense of the term has been given up already in favor of a system of competitive cooperation. Never before have international politics been so plainly characterized by their vagueness and inconsistency as in the present decade.

One of the most vital factors in the whole situation that contributed to this state of uncertainty in international politics is the emerging of Soviet Russia as a world menace to the capitalistic order. Its influence has loomed so large at times that some powers have been actually bewildered and thus unable to distinguish between Soviet activities and the native revolutionary forces in China. Hence the well-known May 30th incident which started with labor and student agitation against local industrial conditions and resulted in the killing of unarmed Chinese by municipal police in the International Settlement of Shanghai, was often attributed to Soviet genius, whereas the same movement might be said to be equally if not more inspired by British imperialism. This incident not only gave a chance to the ascendency of the Soviet position in China, but it brought about two more important effects. One was the impetus it gave to the Northern punitive expedition under the Nationalist auspices, which swept away every obstacle in its way from Canton clear through the Yangtse Valley and now down to the Yellow River Basin. The other was the heavy blow it struck on the British prestige and influence in South China, hitherto much envied among international circles. This strategy of concentrating attacks on a single object was doubtless of Soviet origin, but by its adoption China profited greatly.

America Saves the Day

Seeing that the revolutionary campaign began to stand on its own feet, that Nationalist China was losing her anti-foreign zeal, and that Soviet advices were no longer taken as had been in the past, Borodin and his communistic group immediately launched out a desperate offensive in the form of the so-called Nanking incident of March, 1927, which resulted in the murdering and looting of foreign residents and their property on the verge of the capture of Nanking by the Nationalist troops. This plot was doubtless supported by the Third International with the dual object to embarrass the commander of the Nationalist army and to create a situation in which open conflict between China and the Powers would be possible. Much to the satisfaction of the Communists, the international sensation for a period grew rampant, and the Shanghai diehards were crazy for "intervention". The picture was again colored through the reflection of the Arcos raid in London and the placing of searching guards around the Soviet Consulate in the British Settlement of Shanghai. It looked as if hostilities between Britain and Russia had been extended into China as their main battle-field. At one time the British seemed to be fully prepared to commit the blunder of "intervention" although they should have known too well that it was the very trap laid for them by the Communists. Meantime Japan encouraged Britain to take the lead in the matter for the obvious purpose of letting her bear the initial responsibility with whatever consequences that might be involved. It was the courageous leadership of the United States in refusing to join the "sanction" that finally checked at the eleventh hour the popular drift toward armed intervention,

This act of heroic determination, besides restoring for America Chinese confidence and goodwill, left two momentous records of historical significance. First it saved the world, especially such nations like Britain and Japan, from entering into a costly adventure which might involve untoward dangers. Second it allowed the Nationalist Government of China ample time to embark on a new foreign policy and to make necessary adjustments thereby. It was thus possible for the government to carry on a thorough movement for the purgation of communists from the Kuomintang fold, which movement, coupled with the defeat of the rebellious general in Hankow and crushing of the communist riot in Canton, has marked the complete extirpation of Soviet prestige in China. It is interesting to note that way up in Russia a bitter struggle between Stalin and Trotsky over the Soviet policy of world revolution, which produced a more divided personality of a moderate Russian soul in the body of a reckless communist International added a great deal to the inertia of communist prostration in China. Had the world followed the British and Japanese leadership in intervention, they would have indirectly strengthened the position of the extremists both in Russia and in China and would have witnessed on the whole an entirely different situation from that obtaining in the East today.

When Japan Intervened

What Britain was prevented from doing owing to American reluctance, the Japanese under the leadership of Tanaka and his "positive policy" at last took up, though on a limited scale and under the pretext of self defense, evidently with the intention to test the real strength of the renewed Nationalist drive. So far the Japanese seem to have succeeded, for the "activities" of their troops in Shantung actually forced the Nationalists to beat a sudden retreat and indirectly, through the alleged Japanese support of the rebellious general in Hankow, compelled the Nationalist Commander-in-chief to retire for several months. Why the Powers kept silence over such a dazzling issue was probably due to the fact that since the Nationalists began to encroach on the Japanese sphere of influence in North China, it was then up to Japan to make some awkward gesture of intervention for which negative encouragement was both necessary and justifiable. Meanwhile Britain, seeing Russia and Japan were becoming unpopular in China, soon seized the opportunity to heal her sore spot by negotiating with the Nationalist Government for the settlement of the Nanking incident. Here American leadership again predominated; for when the British hesitated over the inclusion of the treaty revision clause in the settlement, the Americans frankly admitted and took the lead in signing the agreement. As to the Japanese side their China policy has become more and more unfavorable, owing to the complications of internal political disorder, which has typified the growth of democratic consciousness in Japan against the imperialistic and militaristic regime of Tanaka. But as a last resort the Japanese government, much against popular sentiment at home, dispatched the second time an expeditionary force to Shantung, again at the same juncture where the Nationalists gave up their offensive last time. The Nationalist forces, however, having formed a more united front and resolutely determined to "push it through", finally got over the obstacles and occupied the whole province of Shantung. So there ends the Japanese illusion of armed intervention.

Japan Should Profit From Experience

During the lapse of half a decade we have watched with interest, and sometimes with alarm, the role played by various powers in the Chinese revolution. Britain and Russia both tried intervention, the former with her support to the militarists and occasionally with her own arms and the latter with her trained ringleaders and her insidious propaganda. Both failed absolutely in the face of progressive, liberal trends in the world and, too, under the spell of the inertia of intervention which very often precipitates forces of destruction beyond its own control. Now is the time for Japan to exercise her farsighted statesmanship. The problem is within her very door, and she can no longer evade it by playing foul as she did during the May 30th and the Nanking incident. If she does not know how to profit by the British experiment, she ought to be able to do so by her recent experience in Shantung. For it is common sense that an extreme policy of conser-

(*Continued on page 124*)

America's Position in Regard to Manchuria

BY CHARLES JAMES FOX

(in the North China Star)

In connection with the important events that are now happening in the Three Eastern Provinces, numerous references have been made to the position of the United States in regard to Manchuria. The attitude of the Washington Government on this important matter was clearly set forth in a statement made by former Secretary of State Hughes toward the end of the Washington Conference, on February 2, 1922. This was the attitude of the United States more than six years ago and it represents the attitude of the States Department today.

At the Washington Conference Secretary Hughes said:

"The important statement made by Baron Shidehara on behalf of the Japanese Government makes it appropriate that I should refer to the position of the Government of the United States as it was set forth in identical notes addressed by that Government to the Chinese Government and to the Japanese Government on May 13, 1915.

"The note to the Chinese Government was as follows:

"In view of the circumstances of the negotiations which have taken place and which are now pending between the Government of China and the Government of Japan and of the agreements which have been reached as a result thereof, the Government of the United States has the honor to notify the Government of the Chinese Republic that it can not recognize any agreement or undertaking which has been entered into or which may be entered into between the Governments of China and Japan impairing the treaty rights of the United States and its citizens in China, the political or territorial integrity of the Republic of China, or the international policy relative to China commonly known as the open-door policy.

"An identical note has been transmitted to the Imperial Japanese Government.'

"That statement was in accord with the historic policy of the United States in its relation to China, and its position as thus stated has been, and still is, consistently maintained.

"It has been gratifying to learn that the matters concerning Shantung, which formed the substance of group 1 of the original demands, and were the subject of the treaty and exchange of notes with respect to the Province of Shantung, have been settled to the mutual satisfaction of the two parties by negotiations conducted collaterally with this conference, as reported to the plenary session on February 1.

"It is also gratifying to be advised by the statement made by Baron Shidehara, on behalf of the Japanese Government, that Japan is now ready to withdraw the reservation which she made, in proceeding to the signature of the treaties and notes of 1915, to the effect that group 5 of the original proposals of the Japanese Government—namely, those concerning the employment of influential Japanese as political, financial, and military advisers; land for schools and hospitals; certain railways in South China; the supply of arms, and the right of preaching—would be postponed for future negotiations. This definite withdrawal of the outstanding questions under group 5 removes what has been an occasion for considerable apprehension on the part alike of China and of foreign nations, which felt that the renewal of these demands could not but prejudice the principles of the integrity of China and of the open door.

"With respect to the treaty and the notes concerning South Manchuria and Eastern Inner Mongolia, Baron Shidehara has made the reassuring statement that Japan has no intention of insisting on a preferential right concerning the engagement by China of Japanese advisers or instructors on political, financial, military, or police matters in South Manchuria.

"Baron Shidehara has likewise indicated the readiness of Japan not to insist upon the right of option granted exclusively in favor of Japanese capital with regard, first, to loans for the construction of railways in South Manchuria and Eastern Inner Mongolia; and, second, with regard to loans secured on the taxes of those regions; but that Japan will throw them open to the joint activity of the international financial consortium recently organized.

"As to this, I may say that it is doubtless the fact that any enterprise of the character contemplated, which may be undertaken in these regions by foreign capital, would in all probability be undertaken by the consortium. But it should be observed that existing treaties would leave the opportunity for such enterprises open on terms of equality to the citizens of all nations. It can scarcely be assumed that this general right of the treaty powers in China can be effectively restricted to the nationals of those countries which are participants in the work of the consortium, or that any of the Governments which have taken part in the organization of the consortium would feel themselves to be in a position to deny all rights in the matter to any save the members of their respective national groups in that organization. I therefore trust that it is in this sense that we may properly interpret the Japanese Government's declaration of willingness to relinquish its claim under the 1915 treaties to any exclusive position with respect to railway construction and to financial operations secured upon local revenues in South Manchuria and Eastern Inner Mongolia.

"It is further to be pointed out that by Articles II, III, and IV of the treaty of May 25, 1915, with respect to South Manchuria and Eastern Inner Mongolia, the Chinese Government granted to Japanese subjects the right to lease land for building purposes, for trade and manufacture, and for agricultural purposes in South Manchuria, to reside and travel in South Manchuria, and to engage in any kind of business and manufacture there, and to enter into joint undertakings with Chinese citizens in agriculture and similar industries in Eastern Inner Mongolia.

"With respect to this grant, the Government of the United States will, of course, regard it as not intended to be exclusive, and, as in the past, will claim from the Chinese Government for American citizens the benefits accruing to them by virtue of the most-favored-nation clauses in the treaties between the United States and China.

"I may pause here to remark that the question of the validity of the treaties as between Japan and China is distinct from the question of the treaty rights of the United States under its treaties with China; these rights have been emphasized and consistently asserted by the United States.

"In this, as in all matters similarly affecting the general right of its citizens to engage in commercial and industrial enterprises in China, it has been the traditional policy of the American Government to insist upon the doctrine of equality for the nationals of all countries, and this policy, together with the other policies mentioned in the note of May 13, 1915, which I have quoted, are consistently maintained by this Government. I may say that it is with especial pleasure that the Government of the United States finds itself now engaged in the act of reaffirming and defining, and, I hope that I may add, revitalizing, by the proposed-nine-power treaty, these policies with respect to China."

Mr. Hughes then asked whether any further discussion of these matters was desired. There being no further discussion, the chairnan said that it would be in order to propose that the statements made by Baron Shidehara, by Chief Justice Wang, and by himself should be reported to the plenary session and spread upon the records of the conference.

(Continued on page 123)

vative militarism can only bring about equally extreme movements of reaction and it behooves the Japanese government to look out before it plunges too far into the hot race. Furthermore, as close observers of China will easily see the high flexibility of the Chinese revolution so far as the adoption of a new social order is concerned, it is no denying the fact that there are a great many people in the Nationalist fold who still believe in the idea of a world revolution, though not in the Soviet sense nor with the same feeling of its urgency. In order to meet it the thing for the powers to choose is whether to follow the traditional design of intervention in one form or another or to travel on a new path of sympathy and goodwill. It is no cheap pleading for China, for she will find her way out anyhow in course of time. The same question should apply to all quarters of the globe where oppressed races are in action. Only through the courageous application of the combination of Wilson's principle of Self Determination and Sun Yat Sen's principle of Ta Tung or Universalism can humanity ever hope to realize international peace and world brotherhood.

Shanghai, May 24, 1928.

Customs Surplus Being Turned Over to Nationalists

According to a *Kuo Min* news agency message from Peking, the Diplomatic Body at Peking has decided to recognize the Nationalist Government as the *de facto* government of China and will release the Customs surplus to the whatever bureau the Nationalist Ministry of Finance may designate.

The Real Problem of Mass Education

BY HOWE WOO DE

WHILE much is being said, and even attempted, in the way of mass education in China, the fact remains that without a radical revision of the present tools of knowledge—*i.e.*, the present system of writing—such knowledge as is derived from books will remain a blank page to the great mass of the Chinese people, and universal literacy will remain at most a noble aspiration.

The difficulty is that of transcribing the Chinese language in a form which will be intelligible and at the same time can be learned with facility. Attempts have been made at romanization, with little success, and the new phonetic script (the Djuyin) is also inadequate. The difficulty with both, of course, is the expression of the different tones of the Chinese language. When one writes "pu mai" it is of course quite unintelligible. It may be refusal to buy or a refusal to sell, just as "mai" may be an offer to sell or to buy. Different methods have been devised for the indication of the varying tones in romanization, but even this has not achieved any widespread success, and does not seem likely to do so.

Writing as a Tool of Knowledge

And yet some system simpler than the old one is an absolute necessity, if there is ever to be universal education in the generally accepted sense of this word. Writing is in itself only a tool of knowledge—not knowledge in the larger sense. And so long as it requires years—as at present—to acquire the very tools of knowledge, so long will the great mass of the people lack learning, and even the educated minority will be handicapped in their development by the time required in the gaining of these elementary things.

It is not necessary here to discuss the various educational theories of the day, or the relation between book-learning and learning from life, between utilitarian and cultural education, between thought and character, between physical and mental training, between science and esthetics. There will be general agreement that education involves the acquiring of knowledge gained through the experience of others, and that the written word is the best method of transmitting such knowledge. Accordingly, mass education involves first of all instruction in reading,—and with it of course in writing also.

Now the present system of writing in China makes literacy for the mass of the people an impossibility, so far as any time in the predictable future is concerned. A beginning has been made with the "thousand-character" system, but a person who has mastered these thousand characters is not literate in any real sense. One who is unable to read an ordinary newspaper can hardly be called literate, his reading being perforce confined to certain specially prepared literature.

To become literate in even an elementary way is a task of three years at least (taking of course the general run of students as a basis). And that is only the very beginning of education. There is no likelihood in the present generation, therefore, of universal education in China. And yet universal education is a necessity, if the Chinese people are to take the place in the world to which their civilization and culture entitle them.

Present System Unsatisfactory

The fact must be faced that some other system than the present must be devised. The present characters (like the hieroglyphs of Egypt and Mesopotamia in the earlier days) are satisfactory for the education of a special class, but any attempt at universal education involves a simpler system. A phonetic system was worked out from the Egyptian hieroglyphs that was very probably the ancestor of the present Latin alphabet, but though the phonetic principle was introduced into Chinese in the compounds known as the *hsing sheng*, this was never carried out fully, and China still lags thousands of years behind Europe in this respect.

The scarcity of actual sounds in the Chinese language is to be regarded as largely responsible for this. And it seems likely that the continued use of hieroglyphs has further accentuated this scarcity, through making the phonetic principle of minor importance. We find in the Cantonese language—probably the nearest to the early Chinese tongue—between 1000 and 1200 vocables. In the present Pei-hwa there are not more than half this number, and there is no doubt that the number has diminished in the past thousand years. If, as seems likely, the number of vocables has also diminished in Cantonese, it is probable that a few thousand ago years the Chinese language was quite capable of phonetic transcription without serious ambiguity. But we are now faced with the fact that such transcription (particularly of the Pei-hwa) is an impossibility.

Phonetics and Transcription

The only way out appears to be to go directly to the root of the problem, and to make such modifications in the language itself as will make possible its clear expression in phonetic symbols. In other words, creating a new (or perhaps re-creating something akin to the old) form of Chinese. After all, we must remember that the present Pei-hwa is by no means a pure Chinese product. Many of its characteristics are due to modification by the Mongols and Manchus in Peking, *e.g.*, the slurring of *tsi* and *ki* into the single sound *chi*, the loss of such endings as *t* and *k*, etc. The Pei-hwa, in fact, is probably the furthest removed from the original Chinese speech, and it is just the particular points which characterize the Pei-hwa which make phonetic transcription so difficult. Even today the Cantonese language, if its eight (or nine) tones are clearly indicated, is almost capable of phonetic transcription. The fact that the Pei-hwa contains but four tones is most striking, when we consider that the special intonation is one of the most characteristic features of the Chinese language.

So if we recognize that the making of education in China as universal as in most modern states is dependent upon the development of a method of writing as simple as these other states, phonetic writing is an absolute essential, and there are only two ways in which this can be made successful. First, by taking some such form as Cantonese, making such modifications as are necessary to remove important ambiguities, writing it phonetically, and adopting it as the national tongue. Secondly, by creating a composite language (utilizing Pei-hwa, Cantonese, Shanghai dialect, and other forms) which can be written phonetically, and making this the national tongue.

Some of the Difficulties

The difficulty with the first method is that of instruction. It involves the utilization of all the tones of Cantonese, and the learning and teaching of four or five new tones is one of the most difficult things imaginable, particularly when the thing is carried out on a nation-wide scale. The advantage of the method would be that it would be based upon an already existing tongue, and there is also the sentimental advantage that it would probably be very much nearer to the true (i.e., the original) Chinese language than the present Pei-hwa, or than any artificial form that could be worked out.

Logically and practically, the second method is preferable. Not only would the number of tones not be increased, but it might be found quite practicable to eliminate them altogether, indicating differences in meaning by different vocables. If, for example, we permit the word "mai" to mean "buy" only, regardless of intonation and use the Shanghai form "ma" to mean "purchase," there would be no confusion.

Other common words could be treated in the same manner and a composite language created which would be easily learned by the mass of the Chinese people, based as it would be upon existing words in existing dialects, and involving no new principles such as the introduction of unfamiliar tones. Such a language would be readily acquired,—in the time which it now, takes to master the "thousand characters"—and in the working out of the language many problems of ambiguity could be definitely dealt with. The increase of the present number of vocables, of course, would be done by utilizing existing sounds to their fullest degree, for example *tsi* and *ki*, final *t* and *k*, perhaps final *p*. There are enough sounds in the Chinese language to render fully practicable a language which shall be expressible in phonetic symbols.

And until phonetic writing is made practicable, education in China will lag generations behind the rest of the world. The introduction of a clearly expressible system of language will make universal literacy in China not a far-off dream, but a goal which is possible of achievement in our own day and generation. It is a goal worth striving for.

Marshal-Li Gives Dinner to Consular Body at Hankow

Marshal Li Tsung-jen, chairman of the Wu-han branch political council, gave a dinner on June 11 to the Consuls at Hankow in the Bureau of Foreign Affairs for Hupeh. Besides all the Consuls General and Vice-Consuls, many high Chinese officials, including Chang Chih-pan, chairman of the Hupeh provincial government, General Hu Tsung-tu, garrison commander for Wu-han, and Dr. Kan Chia-hou, commissioner of Foreign Affairs for Hupeh, were present.

American Marines Will "Stage" a Rodeo in Shanghai July 4.

The Fourth Regiment of Marines will "stage" a rodeo in Shanghai as part of the celebration of Independence Day, July 4. The home of the rodeo is Pendleton, Oregon, and its main features are feats of skilled horsemanship. The rodeo will be presented on the Polo grounds immediately following the baseball game to be played on that day. The participants will be garbed in genuine Wild West costume.

Why British Lose Trade in China

The following article, which is from the columns of the Manchester Guardian of April 18, was written before the beginning of the Japanese boycott. It explains that the British are losing the trade in piece goods because the Japanese product is considerably cheaper. It will be interesting to see whether the British will be able to regain some of their former trade in view of the existing boycott against the Japanese.

(*From the Manchester Guardian of April 18*)

A report on Japanese competition in the cotton piece-goods trade in China has been prepared by the Acting Commercial Counsellor at Shanghai, and is issued by the Department of Overseas Trade. The report surveys the causes for the decline of British trade in China and deals in detail with the question whether Japanese manufacturers and Japanese merchants in China have developed more effective methods of distribution than the British.

The Acting Counsellor points out the difficulty of obtaining reliable details of Japanese business methods owing to the absence of direct contact between Japanese merchants and those of other nationalities, and the fact that they deal to a large extent with a distinct Chinese clientele. He gives extracts from information supplied to him from various sources. A local merchant with special knowledge of the trade in printed cotton gives an analysis of distribution costs which is striking:—

There are (this merchant writes) only two intermediaries between the Japanese manufacturers and the Chinese retailers, and in several instances only one. These intermediaries are more or less closely associated with the manufacturer insomuch as they are fully conversant with the business, knowing what can and what cannot be given. These middlemen are assumed to be receiving office expenses and a small commission on sales, consequently the selling prices are to a very large extent controlled by the actual makers.

This method gives the Japanese a tremendous advantage over the British manufacturer, as, generally speaking, he will only sell to a Manchester shipper; this shipper often has a resident representative in China who books business with a foreign importer, who in turn sells to a Chinese wholesaler, who sells to the retail shop. This train of intermediaries is costly and places British goods on a non-competitive basis, as shown by the following table.

Take, for example, one line, say, of 200 pieces of cloth 28 inches by 30 yards, which approximately is equivalent to 40 cubic feet or one shipping ton.

200 Pieces at 11s. per piece.

	British.	Japanese.
	s.	s.
Makers' cost	2,200	2,200
Manchester shippers' margin 4 per cent	88	—
Freight, insurance, &c.	70	16
Japanese shipping agents' margin 1 per cent	—	22
Shanghai importer, foreign 5 per cent	118	—
Japanese receiving agent 2½ per cent	—	56
Chinese wholesaler, say, 2 per cent	50	—
	2,526	2,294

Without taking into account the almost undoubted facts of the cheaper cost of production, finance, rate of interest, duty &c., the above comparison makes a Japanese shipment starting off at the same figure from the manufacturer, cheaper in the Shanghai retail shop by 232s., approximately 10 per cent difference.

Collecting New Designs.

This merchant's memorandum goes on to describe the Japanese methods:

Periodically, say, six times a year, representatives of Osaka printers come to Shanghai and other ports to collect new designs in favor on the market, which have emanated either from China or abroad. They are accompanied by artists who can, from indications received, draw up new styles on the spot, quote a price and delivery, and within a few days the order is in work and possibly delivered in six to eight weeks. This is definite indent business amongst special dealers only; the result is carefully watched, and big stocks are run off to be consigned for sale in the open market to anybody for cash. The dealers who book these indents get one to two months credit but all sales from consignments are cash transactions. Of these consignments only a certain portion is held in China, a good portion being kept at Kobe to facilitate shipment to any part north or south, from which delivery can be made in seven to ten days' time, a system which is almost impracticable for Europe. In places like Hankow, &c., the Kobe shipping agent appoints a sound Chinese dealer to act as distributor, for which he is supposed to get 2 per cent. The goods are shipped direct to him. The ports beyond places like Hankow, as far as I can trace, are not directly tapped by the Japanese; nevertheless they have what might be termed inspectors who travel the country to see that their Chinese agent is covering the ground thoroughly. Doubtless they would go further if necessary, but at present they have the situation well in hand, as there is nothing that can compete with them, and such a position eliminates any necessity for financing Chinese dealers in the interior.

Japan's Advantages.

This merchant sums up under ten heads the points in favor of Japanese manufacturers of printed cottons over British:—

1. The cheaper cost of greys, due probably to co-operation between spinning and weaving mills and printers in contracting for a mass production over a few standard qualities.

2. Owing to cheaper first costs the manufacturer feels safe in putting down a bigger quantity over one design (which is a vast saving in price), and anything over and above indent requirements are kept over as stocks.

3. The cheaper cost of labor.

4. The cheaper freight, insurance, &c.

5. Due to quicker deliveries (six to eight weeks as against three to four months by Manchester shippers) there is less risk in any change of fashion.

6. Less risk in settling exchange.

7. Fewer intermediaries.

8. Easier communication to change assortment, &c.; cheaper cable expense, &c.

9. Credits—one to two months to sound dealers, sometimes the draft is drawn direct on the dealer.

10. Better understanding between Japanese and Chinese; mutual assistance.

A local merchant with wide knowledge of the dyed goods trade describes how the Japanese keep stocks of most lines in Shanghai, and send out their "shroffs" (Chinese brokers) on the local market, and when times are bad sell direct to smaller dealers up-country.

This annoys the larger Shanghai dealers, and there is no doubt that the latter prefer to deal with British firms any time. It is simply a question of price, and we are still a long way out, about 12 per cent on greys and whites, and considerably more on dyed goods and fancies.

Inferior, but Cheaper.

The British Chamber of Commerce at Hankow does not attach so much importance to conditions of inland sale. While Japanese firms carry larger stocks on hand "they sell in much the same manner as other foreign merchants," and do not allow more liberal credits to Chinese dealers in the interior. The Chamber concludes:—

The main reason for the continual increase in the importation of Japanese piece goods is the price. Their goods are very much cheaper, and although inferior in quality and finish in comparison with British manufacturers, they are sufficiently serviceable and attractive to the ordinary Chinese whose purchasing power is always limited.

The Japanese manufacturers have the following advantages:—

1. Cheap labor.

2. Cheaper freight, and

3. Direct shipment to Hankow—nine days' sailing, as against six to seven weeks from Britain, thus enabling dealers to buy for fairly prompt shipment, and so minimising their risk of loss on a falling market before the goods arrive.

The Japanese have, of course, taken away the large business that used to be done by British manufacturers in white shirtings and grey cloths, and have taken complete trade. They are also making considerable progress in the manufacture of artificial silk cloths, and they are also making a bid for a greater share of the fancy piece goods trade, most of which is still in the hands of British makers.

The British Consul General at Mukden reports that:—

The chief advantages which the Japanese trade enjoys over ours are, of course, closer proximity to the market and cheaper cost due to lower wages and longer hours in the

Japan's Move in Manchuria

BY EDWARD BING-SHUEY LEE

BEING an island empire with an increasing population, Japan is ever anxious to become a continental power at the expense of China. While there are many Japanese who sincerely believe that a strong and friendly China is the best protection Japan can have, the opinion of an overwhelming majority may be represented by a statement which Prince Yamagata made some years ago: "A strong Emperor is what is needed to rejuvenate China, and to enable her to surpass Japan. Japan, therefore, does not want a strong Emperor in China. Still less does Japan want a successful republic there. Japan wants a weak and incapable China; and a weak China under a weak Emperor subject to Japan's influence, would be the ideal state."

Repeated assurances have been given by Japan that she will use all her efforts to preserve the territorial and administrative integrity of China, but it is in action and not merely in words that the real attitude of a nation is judged. It is only necessary to recall that the Feng-Hai Railway, connecting Mukden with Hailung, recently transferred some rolling stock from the Taonan-Angangki Railway for the use of the former, and this brought a strong note from the Japanese Minister at Peking to the Peking Government, declaring that China has no right to transfer rolling stock from one railway to another because the Taonan-Angangki Line was financed by Japanese capitalists. In reply the Ministry of Communications at Peking pointed out that while the stocks and bonds may be in the hands of foreign investors, the operation of the railway and the distribution of equipment and rolling stock has always rested in the hands of the railway authorities. To prove that the Japanese have no grounds for their interference, Chang Yin-huai, the Minister of Communications, brought out the Taonan-Angangki Loan Agreement and failed to discover any clause referring to the transfer of rolling stock. Again, during February, an agreement for through passenger and goods traffic between the South Manchuria and Feng-Hai railways was drafted out by the directors of the two railways, but the Governor of Fengtien refused to give his sanction to the agreement. The Japanese Government strongly protested and the South Manchuria Railway demanded compensation for all losses sustained by that line.

In railway matters there are four things which affect the rights of any self-respecting nation, and these are:-the right to fix the rate of transportation charges; the rights to move rolling stock from one railway to another; the right to decide the question of through traffic with foreign-controlled lines; and the right to construct railway lines and extensions without outside interference. In spite of the fact that China is recognized as a sovereign nation among the Powers, Japan has repeatedly interfered with these four essential rights which have so much to do with the commercial and industrial prosperity of the country. It is recognized that in order to encourage the development of industries, the railways must be given every opportunity to grow and expand, yet Japan has repeatedly taken diplomatic action over the construction of the Tahushan-Tungliao branch and the extension of the Feng-Hai Railway from Hailung to Kirin. The world is anxious to see China develop her industries and contribute to the industrial prosperity of mankind, and it is surprising to see Japan placing obstacles in the path of China's economic development.

That the Tanaka Government is determined to carry out the "positive" policy is forcibly brought to the attention of the people of the world through the announcement, at the time of writing, that Japanese troops will be stationed at Shanhaikwan to prevent northern as well as southern troops from entering Manchuria. In other words, Japan is ready to claim Manchuria as her own. Shanhaikwan is a stragetic point located on the Peking-Mukden Railway at the terminus of the Great Wall, and in order to enter Manchuria, it is necessary to pass through that point.

Mukden, June 5, 1928

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factories. Importers have also no exchange to cover, and receive wires daily showing prices, deliveries, &c. These advantages more than make up for the poor quality of Japanese piece goods. It is only in the more expensive classes of goods, the buyers of which can afford to consider quality as well as price, that British goods can still hold their own.

Summing up the reports, the Acting Commercial Counsellor notes a consensus of opinion "that cheaper production costs and proximity to the market are the chief factors in giving Japan her present strong position in the Chinese piece goods trade, and that although their system of marketing may be more economical than the British, by eliminating certain intermediaries, there in no evidence that they have yet attempted to develop any very elaborate sales organisation in the interior."

Nationalist Treasury Notes Payments Promptly Met

Li Ming, General Manager of the Chekiang Industrial Bank, and Chairman of the Sinking Fund Board of Trustees of the Nationalist Government Treasury Notes, has issued a statement pointing out the high credit enjoyed by Nationalist Government.

The statement gives details of the issue of $30,000,000 2,5 per cent Surtax Treasury Notes on May 1,1927; of a further issue of $40,000,000 in January 1928; and of a still further issue of $16,000,000 Tobacco Tax Treasury Notes. The first two are issued on the security of the Customs Surtax and Export and Luxury Taxes; the latter, as its name indicates, is secured on the tobacco revenue.

After pointing out the method of securing these notes and mentioning that the installments for redemption and interest are always being paid promptly the statement concludes: "In short, the Nationalist Government has so far issued Treasury Notes amounting to $86,000,000. It has given publicity to the sinking fund provisions, and has permitted the representatives of financial and commercial organizations to have charge of the fund. It has abided by the conditions of issue which it originally published. Whenever the Sinking Fund Committee has made a salutary recommendation beyond the conditions originally stipulated, the Government has conceded it without hesitation. It is an important reform in Chinese public finance. And the members of the Sinking Fund Committee, being zealous at heart and untiring in their efforts, have discharged their duty very faithfully. It is only a natural consequence that the public should have full confidence in the Treasury Notes, and that the Notes should appreciate in market value."

Regarding the method of handling the funds, the statement says:

"A sinking Fund Trustee Committee was organized to take charge of the sinking fund, the redemption of principal and the payment of interest. As to the members constituting the Committee, some have been appointed by the Government, and the rest have been the representatives of the Shanghai Bankers' Association, the Native Banker's Association and the Shanghai General Chamber of Commerce (all Chinese). The Committee has a Chairman and five Executive Members, who are representatives of the various leading organizations in Shanghai, enjoy an excellent reputation, and command public confidence. At the time of its inauguration, its Chairman, Li Ming, made a public statement to the effect that all the actions of the Committee would be made known to the public; that thenceforth the daily cash receipt of the surtax pledged would be deposited in the independent vault of the Shanghai Banker's Association, and at the end of every month the amount of these receipts and of the disbursements of the Sinking Fund would be published in the leading Chinese newspapers.

"The Committee has always been a perfectly independent organization, and its members have been very earnest and untiring in their efforts to protect the interests of the note-holders. Therefore, the Committee, as a result of its work, has more than justified the implicit confidence placed in it by the Nationalist Government. Besides paying the Committee's operating expenses, the Government has not interfered with its affairs. Whenever the Committee has recommended a measure to make the Sinking Fund more secure, it has been adopted by the Government."

Mrs. Silas H. Strawn Heads "Friends of China"

Mrs. Silas H. Strawn of Chicago, wife of the Chief American delegate to the China Tariff Conference at Peking in 1925, has been appointed President of the Chinese branch of a national organization which has recently been formed in the United States known as "Friends of China." The other officers and directors of the organization are: Mrs. Charles Hubbard, second vice president; Mrs. Charles Wesley Dempster, third vice president, and Mrs. J. Paul Welling, fourth vice president. Dr. Berthold Lauffer is again the secretary with Miss Lucy Driscoll of the University of Chicago as his assistant, and Dr. Walter Lichtenstern was reelected treasurer. The board of directors includes Mrs. Chauncey B. Borland, Stanley Field, Mrs. Robert B. Gregory, Mrs. Arthur Hill, Mrs. William L. Hodgkins, Mrs. Harry Pratt Judson, Mrs. Russell Matthias, Mrs. Paul Shorey, Mrs. Carroll Sudler, Mrs. Leverett Thompson, Mrs. Joseph Valentine, Henry M. Woolf, and Quincey Wright.

Reports Regarding Japanese Activities in China

The following reports regarding Japanese activities in China are summaries which have been compiled from the daily messages circulated to the foreign and Chinese press in China by the semi-official Japanese Toho News Service.

Tientsin, June 13—Mr. Nishida, an interpreter attached to the Japanese detachment here was apprehended by the Shansi soldiers at 7:30 o'clock last night while passing through the walled city. He was robbed of his personal belongings and his hands were tied behind his back and he was led about to various Shansi headquarters and subjected to extreme insults before being released.

Tientsin, June 13—According to a report by a Japanese military airplane which made a reconnoitering flight at 10 this morning, the Chihli-Shantung forces which evacuated Tientsin yesterday, are on the march about 10 miles from Lutai.

Tokyo, June 13—According to the newspaper Hochi the Japanese Government is considering Japan's attitude toward the question of recognition of the Nationalist Government and it is agreed that it is reasonable to adopt a friendly attitude. The Government believes, however, it is better to watch the situation for the present before adopting a definite attitude.

Peking, June 13—Mr. Yoshizawa, Japanese Minister stated today that he had heard of the Nationalist plans to make Nanking the Capital and while this is an optional matter for the Chinese, it is impossible for us to define our attitude. We have invested a large amount of money in our legation at Peking. As to the question of recognition of the Nationalist Government, I don't think any of the Governments are considering the matter. The term for the negotiation of the revised Sino-Japanese commercial treaty will expire in about a month, but I think an agreement will be reached before that time.

Tientsin, June 13—According to a report by the Japanese garrison at Shanhaikwan, Gen. Chang Tso-huang, tupan of Kirin left there for Mukden today, the object of the trip not being clear.

Tokyo, June 15—The Chinese Legation here notified the Foreign Office that the Legation will hereafter fly the Nationalist flag.

Tientsin, June 15—The foreign residents here have expressed thanks to the Japanese navy for the fact that foreign merchant ships are safe in navigating the Peiho River due to indirect protection of Japanese war-ships.

Tsinan, June 15—According to information in Japanese circles, the "Red Spear" corps in Hsiatsin-hsien, northwest of Tsinan, are dissatisfied with taxes imposed by Gen. Feng Yu-hsiang and have attacked the tax-bureau killing 20 officials.

Tsinan, June 15—A gang of 30 Chinese who appeared to be "Plainclothes" soldiers, suddenly fired on the Japanese garrison at Hsinchuang. The Japanese troops immediately responded and repulsed them....They again fired on the Japanese in the afternoon and were again repulsed without casualties on either side.

Tokyo, June 15—At today's meeting of the Cabinet, Gen. Shirakawa, the War Minister reported that the Nationalist armies had decided to drive the Northern forces outside the Great Wall, hence clashes between the Chinese troops would be inevitable at Lanchow.

Tokyo, June 15—Admiral Okada, Minister of the Navy reported today that since the situation along the Yangtsze has become quiet, he has decided to withdraw some of the Japanese gunboats from the Yangtsze.

Tokyo, June 15—Mr. Yamamoto, president of the South Manchuria Railway arrived here today to attend a meeting of the shareholders.

Mukden, June 15—Col. Doihara and Major Giga, Japanese advisers to the Tayuanshuifu, left here today for Chinwantao to see Generals Yang Yu-ting and Chang Hsueh-liang

Hongkong, June 15—High military and civil officials in Canton held a meeting today and passed resolutions (1) it is advisable for the Nanking Government to remove to Peking since Peking has been the capital since the Ming dynasty, this being the opinion of the people of Kwangtung and Kwangsi.

Tsingtao, June 14—Consul General Fujita has advised the Chinese Director General of Tsingtao Port regarding Japanese proposals for the future control of Tsingtao. (Proposals appear in editorial columns of this week's issue of *The Review.*)

Mukden, June 15—Though the report on the bomb outrage against Marshal Chang Tso-ling's train, which was drafted as a result of a joint inquiry of the Japanese and Chinese authorities, was expected to be signed by the two parties today, the Chinese side refused to sign the report. Mr. Uchida, the Japanese consul at Mukden has requested the Chinese to reconsider the matter and it is understood the Chinese will give a definite reply tomorrow.

Tientsin, June 15—According to a report of a Japanese military reconnoitering airplane, there are no big bodies of Chinese troops within an area of a day's journey of the city.

Tsinan, June 15—According to a Chinese who has just returned from Taian (65 miles south of Tsinan) the Chinese people are gradually becoming disgusted with the Southern troops, though there were "flourishing signs" for a time following the formation of the provincial government in that city. The Nationalists are imposing unfair and heavy taxes which are double those of the preceding Chang Chung-chang regime.

Tientsin, June 15—Many of the Chinese shops in front of the Japanese guard-lines opened this morning. Thus is the city beginning to show life.

Tientsin, June 16—A company of Chinese infantry under Gen. Fang Chen-wu, this morning furiously fired on a Japanese military airplane which was reconnoitering over the position of the Chinese at Tuliuchen, some 30 kilometers southwest of Tientsin. No damage was done and the plane returned safely to Tientsin.

Tientsin, June 16—The 14 Japanese soldiers which have been guarding the Chinese power station in the former Austrian concession are to be withdrawn shortly. Many Chinese who have been taking refuge in the foreign concessions are now returning to their homes.

Tokyo, June 17—Lieut.-General Matsui, Chief Intelligence Officer of the General Staff who returned yesterday from Tsinan stated today that the Japanese troops dispatched to Shantung will be withdrawn when the situation has been completely settled and the Japanese authorities consider it not necessary to keep them there any longer. But the present situation does not allow us to consider the withdrawal of the troops. In fact the uneasiness in Shantung is so serious that the British and American Consuls there say they will leave if the Japanese troops are withdrawn. As to the settlement of the Tsinan affair, Japan must present a united front, but we need not hurry particularly.

Tientsin, June 17—Problem of settling Three Eastern Provinces by peaceful means said to be progressing; reported that Liu Hsiao-ching, civil-governor of Fengtien expressed willingness to join Nationalists while Generals Chang Tso-hsiang and Chang Huan-hsiang reported favorable; also stated Generals Chang Hsueh-liang and Yang Yu-ting also agreeable.

Tientsin, June 18—Gen. Fu Tso-yi, commander of 5th Shansi army at Tientsin visited Gen. Arai, Japanese Commander and expressed deep thanks for the sympathy of the Japanese troops which had enabled Shansi forces to capture Tientsin.

Mukden, June 18—Gen. Chang Hsuen-liang, son of Marshal Chang Tso-ling appointed Tupan of Fengtien which interpreted as first step toward making him commander-in-chief of peace preservation in Three Eastern Provinces. Gen. Chang Hsueh-liang reported back in Mukden.

Tokyo, June 18—General-Baron Tanaka, Japanese Premier in interview states he has heard that America intends to recognize the Nationalist Government, but said he couldn't foretell what America was planning to do; said that when the Chinese situation had settled down that China would probably ask Japan for recognition; regarding withdrawal of Japanese troops from Shantung, Baron Tanaka said it could not be done until the Tsinan case was settled.

Tokyo, June 19—The military authorities who were watching the recent situation in Manchuria are inclined to drop the mobilization to Manchuria as a part of the 3rd division and to withdraw the brigade under the command of Major Gen. Yasuda which was despatched from Korea, in consideration of the recent general signs of peace.

Mukden, June 19—Installation ceremony of Gen. Chang Hsueh-liang as tupan of Mukden province held at Tupan's office at 11 am today.

Six Fateful Weeks in Tsinan

BY J. J. HEEREN

DURING the past six weeks Tsinan has been the stage for astounding and rapidly shifting political and military events. Chang Chung-chang, the erstwhile bandit chief, has disappeared. The Nationalists, some one hundred thousand of them, have come and gone. The Japanese have shelled the city and made of it a military oasis, or if you prefer, a military desert. Finally, Tsinan is evolving a sort of Chinese municipal government with a Japanese Commissioner of Defence in the background. Over-night, as it were, all over the world Tsinan leaped into the front pages of the newspapers.

In order to get an adequate background we must begin with Chang Chung-chang. For the masses of Shantung the regime of Tupan Chang was a nightmare. The past winter gave us an opportunity to see the ex-bandit in all his brutal callousness. Outside of the city walls were hundreds of tiny mat tents housing shivering and starving women and children, the victims of famine and of misgovernment. Nevertheless in his dance hall the Tupan gave banquets and held balls that suggested the times and scenes of Louis XIV at Versailles. Fine cut glass goblets and glasses for all kinds of liquors, $40,000 worth of heavy silver Sheffield cutlery and expensive British made dinner sets filled the little banquet tables. The finest foreign upholstered furniture, graceful bronze statuettes, well selected European pictures, life-size paintings of Chang Chung-chang and his ex-bandit chief, Chang Tso-lin, expensive wall paper and costly foreign draperies gave an air of grace and beauty. While thousands of his subjects froze and starved, the Tupan with his score and a half of concubines was kept comfortably warm by a foreign heating plant costing $50,000. On March 3 the writer attended the last and the most elaborate of these feasts of Belshazzar. Then, at the end of April the old regime collapsed, and the masses of Shantung began to sing in their own Chinese fashion a "Te-Deum."

What Happened on May 3

The story of what happened prior to the fateful day of May 3 has already been told. Let us not waste time in asking who started the row; the exact truth will probably never be known. Both sides seem to have been guilty of irritations and provocations. It is difficult to see how either the Japanese or the Chinese military leaders could have believed that two such military machines could possibly be in the same city without trouble. The Japanese, it seems, should have removed their barricades and made their troops more or less invisible *before* the irritation of the Nationalists troops had reached the breaking point, or should not have removed them at all. One need not impute ulterior motives to the Japanese in removing their defences, but it is difficult to escape the conviction that General Fukuda misjudged the situation and the temper of the Nationalist troops (not the higher command) very badly.

Whether trouble would have arisen without the presence of the Japanese forces is a purely hypothetical question. It is at least conceivable that nothing would have happened. Few probably will be inclined to doubt that what did happen is infinitely worse than what was feared. On the other hand, any fair-minded person will admit that in the light of last year's happenings the Japanese could hardly view the coming of the Nationalists without misgivings, especially after the report of Dr. Seymour's death. Some counselled evacuation. To evacuate, however, approximately 2,000 nationals from Tsinan is more easily said than done; even the American and British consuls did not succeed in evacuating all of their handful of nationals. Moreover, banks, factories, schools, hospitals, hotels and shops do not lend themselves to evacuation. This is not a defense for the coming of the Japanese troops, but it is an effort to state the Japanese position fairly.

Mistakes on Both Sides

If the Japanese made mistakes, the Nationalists made them also. For their own and China's sake it is regrettable that the Nationalist armies ever entered Tsinan. Their coming into the city was not necessary for reasons of tactics or strategy. The Northerners were on the run like rabbits. Knowing that the Japanese troops were already here, they should have made for Loa K'ou, seven miles north of Tsinan on the Yellow River. Had they done this, the Nationalists would have avoided trouble with Japan, have captured the greater part of Chang Chung-chang's army and probably the Tupan himself and, no doubt, have kept the Yellow River Bridge intact. This is no after-the-event wisdom; for on May many foreigners could not understand why the Nationalist forces coming from the east were making for Tsinan and not for Loa K'ou. It is just possible that the higher command was not sufficiently familiar with the geography of the region or did not realize that Chang Chung-chang was so nearly within their grasp.

One cannot, however, escape the impression that the real reasons on the part of the Nationalists for entering Tsinan were political and psychological. Their armies here were military-political machines that fought not only with rifles, artillery and bombs but also with lectures, illustrated posters and stereotyped slogans. Against the Fengtien hosts these political-psychological methods were very efficacious, but against the purely military Japanese machine they were not only futile but also highly provocative. Of course, General Chiang K'ai-shek did not want to fight with the sons of the Mikado—even the Japanese admit that—,but even General Chiang cannot feed his troops upon daily rations of "Down with Japan," "Down with Imperialism" and "Down with the Unequal Treaties" and expect them to fraternize with the Japanese soldiers as Isaiah's calf with the young lion (Isaiah XI: 6). Theoretical and political motives, winning Tsinan's populace and an ocular demonstration that all Tsinan belonged to China, constituted the magnet that drew the Nationalists into the capital of Shantung, while practical and military considerations beckoned them to hurry to Loa K'ou. For their decision to go to Tsinan, China, no doubt, will have to pay a heavy bill.

The Twelve Hour Ultimatum

At any rate, the clash came on May 3. Blood having once flown what followed was almost inevitable unless the Nationalists had all "cleared out', promptly. Some 5.000 troops, in spite of the ultimatum of May 7, remained in the provincial capital, ostensibly for the purpose of policing the city and upholding prestige. Just what happened behind the scenes on that fateful Monday, May 7, no one seems to know. The twelve-hour ultimatum, however, was not accepted, and the Southern troops still in the city affirmed that they had no orders to leave. That the Japanese position was so precarious that a twelve-hour ultimatum was absolutely necessary is open to very serious doubt, The writer simply is not convinced. The result of non-acceptance was the shelling of the city gates by the Japanese on May 9-10. The work of the Japanese guns, firing mostly shrapnel, was remarkably accurate with the result that property not in the vicinity of the gates was damaged but little. The Nationalists lost more than a thousand killed, but most of these men lost their lives in some twenty charges against a Japanese machine-gun position on the north-west corner of the city wall. After this useless slaughter, the remaining Nationalists left the city. At that time the total casualties of the Japanese were approximately 250, while the total Chinese losses (including civilian killed and wounded) were variously estimated from 1,500 to 3,700.

Japanese Occupy the Railway

In the meantime the Japanese occupied the Kiao-Tsi Railway station. In the case of the Tientsin-Pukow Railway they not only occupied the station but also cut the railway both to the north and to south with the result that the 1,500 workmen of the repair shops were thrown out of employment and 48 badly needed locomotives were left exposed to the weather. The upshot of this was that for about a week Tsinan was like a city of the dead; the people were so stunned that for days they shunned the streets like the pest. Except for one or two Japanese sentinels the Tientsin-Pukow station is still to-day as lifeless as the Sahara Desert. Hundreds, nay thousands, of shops are still closed, and for days not a single freight car, with the exception of some coal cars used by the railway, entered or left the station of the one railroad (the Kiao-Tsi) still operating.

As Poincare could not dig coal in the Ruhr with bayonets, so Fukuda discovered that machine guns and Stokes mortars could destroy but not create a city government. The life of Tsinan had to be resurrected, otherwise the Japanese themselves would starve or be forced to leave. Accordingly, the leading men of the two Chinese chambers of commerce were induced with difficulty to function as a sort of temporary municipal government under the name of "Provisional Commission for the Maintenance of Peace and Order in Tsinan." The Chairman of this Commission is Ho Tsung-lien, a former tutung of Chahar. Back of this Commission stands a kind of Co-operation Committee in which the Japanese and the Chinese discuss the broad policies and matters of special import but in which, in the last analysis, the Japanese tell the Chinese what they want done. Then, finally, General Fukuda is the Commissioner for Defence. Although the Japanese do not interfere with the details of the city's administration, every one who runs may see that Tsinan is in the throes of a military occupation.

Municipal Functions Break Down

During the days of the shelling, of course, the policing of the city as well as the other municipal functions broke down completely. At present order is maintained by about 2,500 Chinese police, armed Japanese sentinels at the principal gates

in addition to Japanese patrols and guards at various places. The great problem at present in connection with the various municipal activities is a financial one, the securing of the needed money through taxation, for as could hardly be expected, the Japanese do not intend to furnish the funds for governing the city. This fiscal situation is a very complicated one. Chang Chung-chang had imposed all sorts of special taxes, nearly all of which, owing to pressure from the Japanese, have already been discarded. On the other hand, the Nationalists who have set up a provincial government in Taian are claiming the right to levy taxes in Tsinan. The Tsinan *Rih Pao* (of June 7) says that an attempt will be made to levy on business concerns a monthly tax ranging from thirty cents to five dollars and on houses a monthly tax from ten cents to three dollars. The paper, however, frankly declares that it is not certain that this scheme of taxation can be carried into effect. About $100,000 a month is needed to run the city efficiently. At present, Tsinan is being governed on borrowed money, and with the exception of the policing all the municipal activities are at a very low ebb.

So much for Tsinan as a local problem. The reader, however, must link Tsinan up to Tsingtao, where the Japanese are gradually eliminating the Northerners. Remember, too, that a neutral zone of 20 "li" surrounds Tsinan and will soon surround Tsingtao, which zone also extends 20 "li" on both sides of the Kiao-Tsi Railway. In other words, a neutral zone (a Polish-Prussian corridor, if you please) 15 miles wide and 240 miles long has been thrust like a rapier from the coast to the heart of the "sacred province."

Japan Wants a Bargaining Advantage

Undoubtedly, back of all this lies Manchuria—Japan's interests in the Three Eastern Provinces. It is too early to say to what extent Japan will use the Shantung zone as bargaining material to entrench herself more firmly in Kwantung. It seems inevitable now, however, that the Shantung situation will accrue to Japan's advantage in the North. After their terrible experience in Tsinan, the Nationalists will undoubtedly think twice, if not a hundred times, before they touch Manchuria. Premier Tanaka and the Japanese militarists will hardly be human, if they do not exploit the existing situation.

Only one thing, apparently, can save the situation; passive resistance. Passive resistance alone, it seems, can checkmate the Japanese in this game. If the Nationalist provincial government can isolate the Japanese, and if the Chinese firms in Tsinan (in which they will need the co-operation of the Tsingtao firms) will keep up their present policy of what seems to be a deliberate refusal to do business, Tanaka may finally be as glad to get out of the Tsingtao–Tsinan zone as Poincare was to say good-bye to the Ruhr. If the Chinese have the necessary courage and tenacity, or if they care to make use of it, to imitate the Germans in their passive resistance to the French, General Fukuda's twelve-hour ultimatum may yet give Premier Tanaka many an uneasy hour. Are Japanese bayonets a match for Chinese passive resistance? That is the question to-day.

Tsinan

Judge Loo of Provisional Court Refuses to Leave Post

Judge Loo Hsing-yuan, president of the Provisional Court, in Shanghai, who on two previous occasions had defied the Kiangsu Provisional Government in their attempts to dismiss him from office was once again "dismissed" last week and a successor, appointed to take his place, was ready in court to take over the post from Judge Loo. The latter, however, has again refused to vacate his seat on the bench and in the course of a long petition has pointed out that the order for his dismissal is not in accord with the announced policy of the Nationalist government to invoke a rule of law in China. Judge Loo reiterates that the only legal way to dismiss him is to bring charges against him proving that he has been guilty of improper conduct.

Chinese Postal System to be Administered from Shanghai

The first move towards removing Chinese government bureaus from Peking was made during the week. The Nationalist Government has issued an order to remove the general headquarters of the Chinese Postal Administration from Peking to Shanghai, and in accordance with this decision the Director General of Posts H. H. Destelan and D. McLorn, secretary of the audit department of the Postal Administration, have come down to Shanghai from Peking to make the necessary arrangements for making the transfer. So far the exact location for the new office in Shanghai has not been decided on.

Japan's Plot to Seize Manchuria Thickens!

BY KINGLU S. CHEN.

Japan sent her troops to Shantung with the purpose of blocking the Nationalist Government's Northern punitive drive against Chang Tso-lin, the last northern militarist, with whom it is an open secret that she had entered into a mutual understanding in regard to the Three Eastern Provinces of Manchuria. Japan helped Chang Tso-lin not for Chang's sake, but in her own interest. So Japan started the trouble in Tsinan-fu, bombed the walled-city, killing thousands of innocent Chinese, murdered the Nationalist Government's Commissioner of Foreign Affairs and his staff, disarmed thousands of Chinese troops, looted Chinese shops and houses, imprisoned and starved Chinese employees of the Telegraph Administration, massacred Chinese wounded soldiers at the Shantung Hospital, bombed the city of Taian, which is over 100 li from Tsinan, blew up the Yellow River Bridge, and employed every conceivable atrocious and provocative measure in the hope either of scaring off the Nationalists from the drive or inciting them to fight with her. If Japan could have scared off the Nationalists, so much the better; if not, her interests in North China and Manchuria are so tremendous that she would not hesitate to even come to war with China.

But Japan's carefully planned scheme failed miserably. The Nationalists refused to be scared. The Second and the Third Group Army under Generals Feng Yu-hsiang and Yen Hsi-shan continued their rapid advance along the Kin-Han and Kin-Sui Railways against Peking and Tientsin, while the First Group Army under General Chiang Kai-shek, though forced to detour from the original route around the self-claimed neutral zone surrounding Tsinan, pushed forward to Tehchow with such rapidity that the combined forces of Sun Chuang-fang and Chang Chung-chang stationed there for a last stand were utterly surprised and routed. Furthermore, the Nationalist Government was wise enough not to enter into an open conflict with Japan, and in spite of the strong anti-Japanese feeling throughout China, and the willingness on the part of the military and student classes to offer their lives to fight with the Japanese, both Generals Chiang Kai-shek and Feng Yu-hsiang told their respective troops to be careful not to enter the trap set up by Japan. It is however, doubtful, whether Japan would emerge victorious had the Nationalists actually entered into war with her, for despite Japan's superiority in military training and equipment, the Nationalists troops are by no means "scarecrows", and the strong national feeling of the Chinese is not to be ignored. The Nationalist leaders, however clearly understand that China's unification and salvation all depend upon the final success of the northern drive and this would have been threatened if war with Japan had been declared.

So Japan's plan in blocking the Nationalist advance northward was frustrated, and Chang Tso-lin was not able to remain longer in power in Peking; and even in retreating to his old den in Mukden, he would not be able to rule supreme the Three Eastern Provinces as before. The dwindling of Chang's power meant dissensions between the old and new factions of the Mukden clan, and eventually its dissolution. Already the Nationalists had forwarded to Generals Yang Yu-ting and Chang Hsueh-liang of the Mukden new faction a proposal that the Nationalist troops would not push beyond Shanhaikwan on certain conditions, though it seemed that the new faction of the Mukden clan would soon go over to the Nationalist cause, which, of course, would be extremely disliked by the Japanese.

Japan's Blocking Policy Fails

In other words, the now defeated and crest-fallen Chang Tso-lin, erstwhile an extremely efficient and loyal instrument to Japanese invasion in North China and Manchuria, was no longer useful to Japan. Nay, further than that, Chang Tso-lin was gradually becoming an obstacle to her aggressive policy. So either Japan had to get away from him and find a new and better instrument to attain her ambition, or her strong hold on Manchuria would rapidly be lost.

At that very critical moment came the bombing of Chang Tso-lin and a large number of high officers in Mukden at the crossing of the Peking-Mukden Railway and the South Manchuria Railway. Shortly afterwards, Yang Yu-ting and Chang Hsueh-liang were detained in Tientsin, narrowly escaping death from a train clash.

Who Bombed Chang Tso-lin?

The semi-official Japanese *Toho* News Agency "secured proof" that the bombing of Chang Tso-lin was the work of plain-clothes soldiers of the Nationalist Army; two of them the Japanese had arrested. Later *Toho* contradicted itself by stating that it was General Yang Yu-ting, "the treacherous,"

who had really plotted the scheme. According to *Reuter's* the explosive employed in conncetion with the incident had exceedingly high detonating power, and the amount of explosive for such destructive effects as had been caused was estimated by experts to be about two hundred pounds, and further, for timing the explosion to occur at the moment Chang Tso-lin's car was passing an accuracy of a small fraction of a second was necessary, and therefore only electric ignition was possible; and, for putting the mine in place ready for the blasting about six hour's work was required, all of which showed the hand of the military sapper. *Reuter's* further reported that witnesses had declared that the place was closely guarded on the previous night and that all passers-by were kept at a distance but that at day-break the guards retired to bomb-proof log-cabins. Between daybreak and the arrival of the train the time for installing the detonating mine was insufficient.

The *Reuters* dispatch is extremely interesting and worthy of careful study in that it only dismisses the notion that southern plainclothes men could have done the work, but actually contradicted (seldom, indeed, do these two services contradict!) the *Toho* report and laid strong suspicion on some party other than the southerners or the Fengtienite. Such suspicion is not at all unfounded. First, the detonating effect of the bombing mine was so strong and the havoc it caused was so great that the explosive used could not have been manufactured in China, either in the Kiangnan or Hanyang Arsenals, which were in the hands of the Nationalists, or in the Mukden Arsenal of Chang Tso-lin. Second, the crossing of the Peking-Mukden and the South Manchuria Railways had been heavily guarded by both the Japanese and the Fengtien troops and it would have been impossible for any southern plainclothes man to have penetrated into the formidably guarded zone and sneaked directly under the crossing bridge, with two hundred pounds of high explosive, worked six hours at daybreak, waited there, and while some twenty or thirty cars of the train were passing the bridge, definitely recognized the particular car which carried the Mukden warlord, and, with the accuracy of a fraction of a second, thus bombed the bridge. No! Nobody could believe that the Japanese and Chinese soldiers stationed there were all fools, who watched the gigantic scheme in operation from beginning to end with open eyes and silent mouths.

Japanese Are Never Negligent

Reuter's charged the Japanese authorities with flagrant negligence. But certainly the Japanese had not neglected anything. Their interest there is much too great to allow any negligence. If the Japanese are ever guilty of anything, it is always of a far more serious nature than negligence.

But of particular significance and casting a sidelight on the bombing incident, is the flight of the former Manchu Emperor Pu-yee from Tientsin to Mukden *via* Dairen. Almost simultaneously with the attempt on Chang Tso-lin's life came the report that the ex-Emperor had returned to Mukden. According to a *Nippon Dempo* dispatch from Mukden dated June 7 a movement to reinstate the former emperor is now in progress in Manchuria. Prince Kung of the old Manchu regime had been asked to return to Mukden to organize the new kingdom, and the subordinates of Pu-yee are very active.

It should be remembered that Pu-yee, the ex-Manchu-emperor, was driven from his palace in the forbidden city of Peking in 1925 following General Feng Yu-hsiang's *coup d'etat* against Tsao Kun and Wu Pei-fu. Pu-yee took refuge in the Japanese Legation and finally went to Tientsin under Japanese escort where he later settled down in Chang Yuan, the former estate of General Chang Hsun, which is situated in the Japanese concession.

Pu-yee is now twenty-three years old, with already two or three wives and perhaps a dozen concubines, a foolish, yielding, easy-going character, surrounded by his families and relatives and loyal teachers and servants of the ultra-conservative type, who all wish to see the none too brilliant youth reinstated Emperor of the Middle Kingdom. And though the general mass of the Chinese people despise Pu-yee, there are still tens of thousands of impoverished and hungry Manchu natives throughout Manchuria and districts surrounding Peking, who had formerly during the Manchu regime been soldiers, officers, and idlers of other types receiving special pensions from the Emperor simply because they were Manchus and had, since the passing of the Imperial Kingdom, been reduced to extreme poverty, for, being unable to work, they have foolishly prayed to the gods to restore their former ruler to power again, and thus restore their past glory.

Japan's Designs on Manchuria

So there is the story in a nutshell. Although Japan has tremendous designs on Manchuria, and is anxious to annex it as her own, and has long regarded that part of Chinese territory as such, she never can forget that there are other powers which do not share Japan's point of view. Frank W. Lee, resident representative of the Nationalist Government in the United States, has cabled to the Nanking Government that the United States recognizes Manchuria as Chinese territory, and that it does not consider Japan is entitled to any special right there. Great Britain and other European powers are silent over the matter, but they can not but admit that the statement of the United States is quite correct. Japan is fully aware that she can not claim Manchuria as her own without provoking the disapproval and suspicion of other powers, of which Japan evidently is afraid.

What shall Japan do! The best way she sees is to declare Manchuria a "temporary" protectorate under the Japanese Government. According to a *Rengo* London dispatch to the *Japan Chronicle*, the *Times* reported that Japan at no too distant a date will declare a protectorate of Manchuria. At first we wondered whom shall Japan protect, although we were quite certain that the protege will not be Chang Tso-lin. Now can we not strongly doubt that the Manchu ex-emperor probably has been chosen by Japan as the scape-goat?

Boy Emperor May Be Japan's Next Puppet

Japan will never forget Manchuria. She will never relax her firm grip on the Three Eastern Provinces, where, we are certain, the biggest and wierdest scheming will yet be engaged in an endeavor to check the Nationalist Government's growing influence there. Nobody can foresee what is in Japan's bonnet, but it is already evident that to reinstate Pu-yee as the new head of Manchuria, and to declare Manchuria a protectorate will be the next step in her never-ending series of intrigue in that land.

Chang Tso-lin is gone. Dead or alive, he is no longer a potentate. Japan is striving to find a new character which will be more yielding and more useful to her, and probably she has found such a character in the person of Pu-yee. The Nationalist Government does not intend to send troops outside the Great Wall; therefore the greatest problem of the Nationalist Government in regard to Manchuria in future will not be military, but political and diplomatical.

Shanghai, June 14, 1928.

Tsingtao Situation is Peculiar

BY "SKIPPER"

Tsingtao is at the present in a peculiar situation as far as the government is concerned. The former Northern government is still in power and although the Japanese stated they would force all the combatants out to the 20 "li" radius the truth is that only a part of General Chu Shen-pen's troops departed; the rest are still here, camouflaged as peace guards.

The English and American Chambers of Commerce, and some of the Germans, are working overtime to trying to induce the local Chamber of Commerce to establish a Municipality with foreigners in power. They have tried to get the Japanese to do this, and while most of the Japanese business men would like to see this done, the military have had enough of the trouble they have already caused.

The local English paper here the *Tsingtao Times* has come out with articles every day for the past week advising the Chamber to take action.

The local government is using every effort to remain in power. General Chu is still living in the yamen, contrary to the so-called order that he was supposed to have received from the Japanese military. Lui Chi-lu, the Cantonese who has been in the services of Chang Chung-chang, is collecting all the money possible. The latest report is that he has collected up to date from the various towns the sum of one and one half million dollars, and the end is not yet. The other Northern generals so-called are also moving around the country on what they call a bandit-suppression raid, but they have proved to be worse than any gang of bandits that ever infested the country. They are gathering in the sheaves while they can and avoid any clash either with the bandits, who are numerous at present, or the Southerners, who are trying to do their best to rid the country of them both.

The Japanese papers, and the pro-English-Japanese *Tsingtao Times*, come out with stories of these soldiers fighting bandits under the Southern leader Liu, the inference being that these troops are the saviors of the country.

The season here is dead, water is getting scarce and the cost of living is increasing. The condition of the streets is such that foreigners walking on certain sidewalks, notably on the Bund, are foreed into the streets by the Japanese soldiers. The only business is that done by Japanese with the Japanese soldiers.

Tsingtao, June 13,1928.

The Recognition of the Nationalist Government

BY C. Y. W. MENG

WITH the expeditionary forces actually in occupation of the "old capital", and with Chang Tso-ling dead or dying, the Nationalists can be said to have accomplished a large part of their mission, and to have realized most of their ideas. The problem that is facing the Nationalists is no longer the launching of an expedition, nor the continuation of an expedition, but rather: What shall follow the occupation of Peking? Internally, they are arranging for a constructive programme. The stage of destruction is past; an age of construction is to come. The People's Revolution is necessarily both destructive and constructive. Without destroying the old houses, no new house could be built up. Without occupying Peking, the Nationalists could not administer China, nor formulate China's foreign policy. Externally, they are in a position to lay down their arms and say to the Foreign Powers that they are ready to handle all negotiations on behalf of the Chinese people. The Chinese ministers abroad have (according to the *Shun Pao*) already been instructed by the Ministry of Foreign Affairs of the Nationalist Government to notify the Governments to which they are accredited that they would only obey the orders of the Nationalist Government, and further that the Nationalist Government is ready to handle all negotiations with any Foreign Powers. This notification, is, on the one hand, a quite clear indication that the Nationalist Government now represents, not solely the Southern people, nor the Nationalist Party, but the masses of China as a whole; and on the other hand it shows quite obviously to the Foreign Powers that the Nationalist Government is anxious to open negotiations with all of the Foreign Powers on any of the outstanding problems.

Diplomats Embarrassed

Diplomatically speaking, the present situation in China has embarrassed most of the foreign diplomats, Should they recognize the Nationalist Government as the *de-facto* and *de jure* government of China? They should do so, in view of the fact that the Nationalists are now in occupation of all of China proper, with the exception only of the Three Eastern Provinces. With whom should they nogotiate except the Nationalists? The Powers, however, do not wish to grant recognition because they fear that the Nationalists will take the opportunity to present their demand for the abolition of the "unequal treaties."

Indeed, as a matter of international usage, when a State has won her independence, all other States are bound to recognize it. T. J. Lawrence, in his celebrated volume on International Law, says, "The quickness or slowness of recognitions is often determined by political sympathies; but no Power can continue for an indefinite time to shut its eyes to accomplished facts. When a province or colony has won a real independence, recognition of it must come sooner or later, even from the parent States." In other words, recognition is a matter of necessity both from the standpoint of the recognizor and the recognized. This is especially true of a State which is destined to play an important part in the future peace of the World.

Conditions Different from 1912

When China first won her independence in 1911, she was so anxious to gain recognition from the Foreign Powers that she was willing to accept all the terms, such as recognizing the validity of all the treaties and agreements that were made between the Manchus and the Foreign Powers, some half a century, or several decades ago; and also acknowledging all her debts which she hitherto owed to the foreign Powers. Certainly, such was a great blunder! Lack of experience, over-anxiousness to gain recognition were responsible for this blunder. The result is that China was only free from the Manchu yoke, but not from foreign imperialism. But the present situation is entirely changed! the year 1928 is materially different from 1912! The revolution of 1911 aimed only at the overthrow of the Manchus, but now, the People's Revolution aims at both the elimination of militarism and of foreign imperialism. Formerly, "down with the Manchu Government" was the only slogan, but now the slogan "down with foreign imperialism" is added. Formerly, the Chinese looked upon recognition by the Foreign Powers as a means of their existence, but now recognition is not so much emphasized. Formerly, it was the Chinese who begged for recognition from the Powers but now the Powers should volunteer recognition.

There are three reasons for the change in the situation. First, from the standpoint of trade is the necessity to trade withthe Foreign Powers. The trade with China constitutes 43% of the total of the foreign trade of Japan. Secondly, the Nationalists realized that this is the opportunity to put before the Powers what they have so long had in mind the abolition of the "unequal treaties". They are willing to postpone recognition, or even to sacrifice recognition, should the Powers insist that the present *status quo* of foreign nationals be maintained. Many treaties between China and the foreign Powers have already expired, but no new ones have yet been concluded. The making of new treaties and the granting of recognition should be discussed at the same time. The Washington Pact of 1922 which provided for the territorial, political and administrative integity and sovereignty of China, can not be fulfilled, so long as out-of-date treaties are still in existence, for they are really inconsistent. Thirdly, it may be stated that recognition, without abolition of the "unequal treaties", is valueless to China as that was already attained in the Revolution of 1911.

One old diplomat in Geneva told China's representative that the Nationalists should not be too anxious to gain recognition for fear that they play into the hands of some of the Powers. Dr. C. C. Wu, Hu Han-ming, and others, in a joint telegram to the Nanking Government fomulating a foreign policy for the Nationalists, said, "In the year 1912, China, being too anxious to gain recognition from the Powers, was willing to accept all the terms laid down in exchange for same. This was a great diplomatic blunder. This time the Nationalist Government should try to gain recognition in some practical way, so that the abolition of the unequal treaties may easily be solved."

Why Doesn't America Act Now?

With the exception of Japan, it is probably comparatively easy for other Powers to recognize the Nationalist Government. But it seems no Power is bold enough to take the initial step. The Chinese have been looking for such a benevolent act from America but so far we are disappointed. We remember that America was the first one to recognize the Chinese Republic. We know equally well that America has been anxious to see peace in this country. We hope America will take this initial step. We want to remind America that it is not advisable for her to forfeit her leadership and let some other state take the initial step.

On the side of the Nationalists we are sure they will not fail to present to the Powers a proposal for the abolition of the unequal treaties, even before the negotiations for recognition are opened. On the side of the Foreign Powers, they will also set up some conditions. Some Powers may say that they will recognize the Nationalist Government, provided the present *status quo* of foreign nationals in China be maintained. Some Powers may say that until the capital is fixed at Peking there can be no talk of recognition. This idea was expressed by the Netherlands Minister, but Dr. C. T. Wang, the Nationalist Minister of Foreign Affairs, in an interview said: As to the location of the capital, it is doubtless true that the Nationalists will locate it at Nanking; whether the Foreign Ministers in China will also remove to Nanking is to be decided by themselves. A change of our capital will not depend an a diplomatic side issue." Some Powers may say that the present situtation does not warrant such recogntion. So with many other agreements. But when all the arguments are analyzed, it appears that these Powers wish to refuse recogntion merely because the Nationalists put the question of the abolition of the unequal treaties above the matter of recognition.

Japan's Intrigue in Manchuria

As has been pointed out in a previous article dealing with Japan's intervention in Shantung. Japan's sole aim was to block the advance of the Nationalists. They forced the Nationalists to make a detour around Tsinan in order to reach Techow, an important strategical point on the border of Chihli and Shantung, instead of by the direct way on the Tientsin-Pukow railway. Afterwards, they also forced the Nationalists to make a big circle, thus adding to their difficulties. By so doing, Japan had every confidence that the Northern expedition would crash to pieces and that the story of the fall of Gen. Kuo Sung-ling would repeat itself.

The Nationalist generals, however, handled the situation so well that the Japanese intervention resulted in a complete failure. Instead of entering into conflict with Japan, the Nationalists ordered their troops to withdraw to the other side of the Yellow River in one night. Instead of killing some Japanese as a retaliatory measure, the Nationalists adopted a very calm policy, Thus, Japan had no chance to create any trouble with the Nationalists, while the Northern Expedition went as smoothly as if nothing had handicapped it.

Knowing that their diplomacy had failed in Tsinan, they adopted a second measure in Tientsin. Long before the arrival of the Nationalists, Japan took the lead in calling meetings of the Cousular Body to discuss the "defense measures", while Japanese propagandists were on the job several weeks earlier. Claiming that Peking and Tientsin were in imminent danger

of being looted, Japan emphasized that the Protocol of 1901 be maintained, that sufficient troops be ordered on duty, that international volunteers be organized, that the foreign residential section be guarded, that the wire barricades be set up, and that the Legation Quarter be protected—all measures which added to the state of uneasiness.

Thus the Japanese also failed in their second attempt, for two reasons: First, lack of cooperation from other Powers brought complete failure to Japan's crafty diplomacy. Britain sent no special troops to Tientsin, America suddenly withdrew her troops from Tangshan and Japan was thus isolated. Secondly, the Nationalists, in view of the Tsinan affair, knew quite well what Japan would do in Tientsin, so they changed their route of attack. Instead of reaching Peking along the Tientsin-Pukow Railway line, they devoted their full energies to the Kin-Han and Peking-Kalgan lines. Instead of ordering a quick march into Tientsin, the Nationalist Generalissmo, Chiang Kai-shek, ordered all Nationalist troops to halt at Machang, some ten miles from Tientsin, pending further instructions. Instead of the rush on Peking being made by different commands, both Generals Feng and Yen stopped outside of Peking until arrangements were made ready for entering. In other words, the Nationalists handled the situation so cautiously that it gave the Japanese little opportunity to make any trouble. The Japanese next turned to Manchuria.

The occupation of Peking may be regarded as a significant victory, but it cannot be regarded as the completion of the northern expedition. There is no reason why the Three Eastern Provinces should be left to be trampled on by the militarists and foreign imperialists. It ought to be the policy of the Nationalists to advance into Three Eastern Provinces, or as they are generally known, Manchuria. Only about one or two weeks ago, the Japanese Consul in Tientsin ordered all the Japanese nationals in Johol to be removed to Shanhaikwan, a place where the Nationalists must pass through when they are to advance into Three Eastern Provinces. Then there will be a chance for Japan! They might well open fire on the Nationalists, falsely accusing them of having looted Japanese shops, as was the case in Tsinan; or they might well stay there in order to extract a promise from the Nationalists that recognition will be accorded provided Japan's "special rights" in Manchuria are recognized. Should the Japanese not have these motives in mind, we ask why Japanese are not removed to Tientsin, a better protected territory, instead of Shanhaikwan, guarded only by Japanese troops?

It is clear why the Japanese have been continuously sending troops to Manchuria. Japan, indeed, is in a most embarrassing situation. Her commercial treaties with China have long ago expired; the tariff autonomy which was promised to come into effect will come only about six months later; her quarrel with the Nationalists over the Nanking Affair has not yet been settled; her "special position" in Shantung as well as her "special rights" in Manchuria are not secured. For these reasons, she occupies the Three Eastern Provinces. She does not intend to recognize the Nationalist Government. The proposition that old treaties must be abolished and new ones concluded on the principles of equality and reciprocity, really dismay the Japanese! But the question is: Should the other Powers delay recognition just because Japan, for selfish reasons, does not recognize the Nationalists? This question becomes especially serious for America. America is reminded that Germany, since her conclusion of the peace treaty with China, has been trying to gain the favor of the Chinese for its trade and therefore Germany is trying to be the first one to recognize the Nationalist Government. Should America be left behind the others?

Declaration By Wuhan Political Council

In inaugurating the Wuhan Political Council, General Li Tsung-jen, Chairman, in the course of a long declaration, stated:

If the people have no training in party principles together with strong convictions, reconstructive works can hardly be undertaken. If the administrators of the two provinces do not seriously search for knowledge, no matter how highly advanced be the theories and how gigantic the plans, no material benefit can be produced without practical means and method of action, for the success of extraordinary reconstruction and for the importance of safeguarding the people's rights, this Council swears to unite the zeal and energy of our comrades to make progress, to undertake practical activities. Furthermore, in the lectures on the Principle of National Independence, Dr. Sun paid special attention to the boosting up of our old civilization and the preservation of our old virtues. We can easily see that the people's revolution as led by Dr. Sun is really a movement for our National Independence, renaissance and economical development of the people. This should be the fundamental spirit of all kinds of reconstruction. This Council swears with sincerity to promote and enforce these Principles in accordance with its right and duty in order to develop our racial characteristics and insure the perpetual existence of our country."

The Ghosts of Mukden Bridge

BY DR. S. WASHIO

(*In The Japan Advertiser*)

Mystery surrounds the bombing of Chang Tso-lin's train. Its movement, the time of its arrival at the crossing of the S. M. R. line and the Peking-Mukden railway where the incident occurred, was kept so secret while the explosion of the bomb was so exact that no desultory attempt could have possibly effected it. The suspicion is natural that the perpetrator of the crime must have had inside information. It is due to this signal exactness of the crime that from the official quarters of Peking and Mukden a wild cry of "Japanese plot" comes forth while Japanese papers in their turn suspect that an anti-Chang Tso-lin conspiracy in his own camp might have plotted it. But the general guess is that it was the work of plainclothes Southern revolutionaries. It is not improbable that they might have obtained inside information in some roundabout way from Chang's own camp and the same influence that furnished information is probably responsible for the most unbelievable fable of "Japanese plot." If this is the case it is an alarming evidence of the permeation of the southern revolutionary influence into Mukden and within Chang's own men. He is no longer safe even at his own home.

A Haunted Spot

The crossing of the S. M. R. line and the Peking-Mukden railway seems destined to be the scene of the most luridly dramatic incidents in Far Eastern politics. Some two years ago, not far from here, Kuo Sung-lin's army was annihilated in sight of its objective. He was captured and slaughtered in such a way that if a man leaves his ghost behind him, Kuo Sung-lin's ghost will forever linger about that crossing. In the absence of any reliable evidence of the crime one might say that it was Kuo's ghost that did it. Kuo with his wife, fleeing in a Chinese cart in coolie's attire, were pursued and captured by the cavalry of Wu Chun-sheng, the tuchun of the Amur province and the most reputed general in Chang's camp who never lost a battle. His reputation and Chang's trust in him were so great that he was often considered as his successor even in preference to his own son. Now the bomb accident has killed him according to the latest report, and Chang's condition is so serious that even if he survives he will probably be a demented man. Even if he lives it seems that the end of his dictatorial power is drawing near. This little incident has frustrated Japanese diplomacy and has done more than the whole Southern revolutionary army can do. Kuo's retribution is almost complete.

A Sinister Hero

Born in an unknown family, an uncontrollable boy as an apprentice to an apothecary, the young Chang found his place in life as a bandit, from which he climbed up to the dictatorship of Manchuria. His dream of dictating to all China brought him to Peking, where he sat for a year like a medieval king in pomp and arbitrariness without realizing that the ground was slipping away under his feet. A man of small stature and soft low voice he had nothing in his exterior that revealed a war lord of wild territory, but hidden in his unimpressive countenance there was a cool blooded murderer and an imperious will that kept opposition counsel in awe. It is a dramatic harmony that this man should succumb to a plot of treason. His character will remain as a classical hero of tragedy in Chinese history and Far Eastern politics.

The two old wights of Manchuria, Chang Tso-lin and Wu Chun-sheng in this condition, the two men of a newer type, contaminated with liberal ideas, which Chang might have called Red, his own son and his own chief of staff, Yang Yu-ting, both of whom have never been good soldiers, are hurrying from the battle front to Mukden to look after the situation. It depends on these two men whether or not anarchy will reign in Manchuria. Can they hold Manchuria together as an independent territory or have they to capitulate to the South through compromise or sheer incapability? In the face of this demoralizing incident can the Mukden troops withdraw intact as originally planned? Who is going to lead the army Wu Chun-sheng has controlled?

Manchurian Disunion

Another formidable unit of Manchuria's strength, the tuchun of the Kirin province, whose allegiance to the Mukden regime was not beyond suspicion even at the time of Kuo Sung-lin's revolt, has again been acting rather suspiciously. He withdrew with his troops before Chang Tso-lin and it is not known where he has gone. Kirin province, which has absorbed by far the greatest number of immigrants from China to Manchuria, is Southern in sympathy and has always been noted for its anti-Japanese spirit. How will this province and

its tuchun act when Chang's influence can no longer be felt? Will he obey Chang's son and Yang Yu-ting? May not Manchuria collapse internally even without the instigation of Feng Yu-hsiang or Chiang Kai-shek? The latest report says that Sung Chuan-fang's army of 80,000 have been converted overnight to nationalist troops. The remnant of Chang Chung-chang's army will also go to one faction or another of the revolutionary forces against Mukden. Will Mukden have any force left on which it can depend with assurance? Before his withdrawal Chang Tso-lin evidently wanted a fight to a finish but his lieutenants, especially Yang Yu-ting, did not follow him. If the control of the situation caused by the bomb incident devolves on Yang Yu-ting will he do anything that will make him inherit the legacy of Chang's unpopularity? Is it not more probable that he may smooth the way to the capitulation of Mukden to the banner of white and blue?

Japan's Diplomacy Defeated

There is Japan, you may say, to look after the situation. But Japan's military superiority, which could compel Chang Tso-lin to withdraw and keep the South at bay at the same time, could not prevent the bomb incident, which, accident as it seems, is in the broad light of the situation a logical link in the inevitable development that is bound to come. Japan's military strength can not prevent the flood of immigration and the rapid colonization of Manchuria by Chinese to the exclusion of Koreans and Japanese. It can't prevent the filtration of the Southern influence coming—not with bayonets but with propaganda, demoralization, general disorder and diplomatic tricks. No sooner she has drawn a sigh of relief by Chang's withdrawal than has she come face to face with this incident, the effect of which will be virtually as alarming as the spread of the civil war into Manchuria itself.

Call Issued for Fifth Plenary Session of Kuomintang

According to a report issued by *Kuo Min* news agency on June 12, the Standing Commtttee of the Central Executive Committee of the Kuomintang Party, has decided to hold the Fifth Plenary Session of the Committee at Nanking on July 15, the purpose being to discuss and determine the policies of the Government and the Party and devise measures for the reconstruction of the country. The statement on the subject of the Fifth Plenary Session which was issued by *Kuo Min* was as follows:

"Notifications to the various members of the Committee, announcing the formal convocation of the 5th Plenary Session on July 15, are being prepared and will be sent out immediately.

"In this connection, it may be noted that at the 4th Plenary Session of the Central Executive Committee last February, it was decided that the National Congress of all Kuomintang Delegates be held in August. According to the Regulations of the Party, notifications to all Party Delegates must be issued three months in advance. However, owing to the military situation and the fact that Peking was only captured very recently, it is impossible to hold the Third National Congress in August, there being only an interval of two months between now and August. Therefore, it was proposed at the meeting of the Standing Committee yesterday that the convocation of the Third National Congress be postponed and that the 5th Plenary Session of the Central Committee be held instead to decide upon the solution of various pressing problems now facing the Party and the Government.

"There are 17 members of the Central Executive Committee in Nanking and Shanghai. These are Messrs. Tan Yen-kai, Ting Wei-feng, Yu Yiu-jen, Chiang Kai-shek, Chu Chi-ching, Ho Hsiang-yen, King Heng-yi, Chow Chi-kong, Ho Ying-ching, T. V. Soong, Bei Wen-wei, Chen Shu-jen, Wang Loh-ping, Wang Fa-chun, Maio Bin, Pei Yung-ti and Ting Chao-wu. General Chu Fei-teh is at the front, while Gen. Li Chi-sen and Mr. Tai Chi-tao are in Canton. Among those who are absent abroad, are included Messrs. C. C. Wu, Hu Han-min, Sun Fo, Koo Meng-yu and Wang Ching-wei, while the whereabout of Messrs. Kan Kai-kwang and Chen Kung-po are unknown."

Michael R. Healy of Shanghai Disappears at Sea

Michael Robert Healy, a former secretary of the American Club in Shanghai, disappeared at sea on the night of Thursday, June 14, while enroute to Japan on board the Japanese steamer *Shanghai Maru*. Mr. Healy was on his way to Unzen, a health resort in Japan. Mr. Healy was sixty years of age and had an active career in many parts of the world. Among the posts he had held were those of auditor in the Philippines and U. S. Commissioner at Chitina, Alaska. He first came to Shanghai in 1920 as an auditor for Eisler, Reeves and Murphy, marine surveyors.

The Capture of Peking and After

BY LUTHER H. R. LIU

THE issue of the *Sheng King Shih Pao* that just arrived reports that Nationalist soldiers under Yen Shih-shan have entered Peking and that the whole city is flying the "Blue Sky and White Sun" Flag. This entry into Peking by the Nationalists is the greatest success the Northern Expedition has yet attained and marks a definite stage in the revolutionary program. Ever since the establishment of the republic, this is the first time that an army had fought on a platform and a principle. Its victory was won mostly by propaganda sustained by the good-will of the people.

The past two years' evperience of the Nationalist movement has taught us that there are still many obstacles, not without, but within the rank and file of the Nationalists, that are standing in the way of real revolution. A great many soldiers of the Nationalist army corps are remnants left over by former predatory armies and most of the generals have joined the Nationalist cause not because of personal devotion and political conviction but because of temporary expediencies. How to transform this heterogeneous force into a homogeneous one and how to dispose of superfluous soldiers must remain for some time very knotty, if not insoluble, problems in the rehabilitation work. Among the most difficult questions must be counted the proverbial insubordination of military men to civil power. Nominally the different political committees are holding the helm of state, but really they are but the figure-heads, the instruments, and puppets in the hands of several leading generals. Moreover, the Southern generals are not proof against such crimes as are frequently perpetrated by their northern counterparts, namely, mutual distrust among themselves, greedy intent upon personal glory and power, ruthless destruction of political opponents, etc.

Gloomy Predictions Without Foundation

Croakers predict that after their common enemy has been driven away the Nationalist leaders will fight among themselves for spheres of influence. First, combination among several minor groups against a large group, then that group collapses through revolts, secessions, and defeats, then mutual jeolousies and eventual fighting among the formerly allied groups—and thus this vicious circle must begin over again! This may be the case with the Nationalists, so the croakers reason.

However, there are reasons to believe that these gloomy prophesies will turn out false and that a united China may soon emerge. Whatever may be the shortcomings of and the difficulties ahead of the Nationalists, there are considerations which cannot but fill us with a hope for a better future. Unlike other armies who are fighting for pay, plunder, and personal aggrandizement of their pay-masters, the Nationalist troops are inspired with a principle and convinced that they are fighting for the cause of the people. San-min-ism has thoroughly permeated through them. There has been created a revolutionary atmosphere and frame of mind among them. Their generals have learnt from the vicissitudes of the past two years that if an army can fight for a cause when inspired, it is equally dangerous and powerful to turn against its own leader as soon as it has been disillusioned and discovered that its leader has been nothing but a cheat and that public opinion and the good-will of the masses are worth more than the most efficient weapons. They must have taken the lesson so to heart that they will not enter upon self-centered campaigns without scruples. And most of the politicians of the Nationalist government are not men of that type who make it their business to serve as the hunting dogs of militarists and to instigate intrigues. Most of them are leaders in various branches of thought with a world-wide vision and tested integrity.

A Constructive Program

Now that the whole of China except Manchuria has been brought under the Nationalist rule, what must the Nationalist do in order to unite China and to bring peace, order and prosperity to the war-stricken population? Although there are a hundred and one things to be done in the rehabilitation work, the following things must be carried out forthwith, failing which, China will be again plunged into meaningless civil wars for at least thirty years to come: 1. To convoke a people's conference to bring forth a truly democratic government to be the fountain head of authority; 2. Concentration of power upon that government so created and that all regional governments must obey the instructions of and be responsible to the central government; 3. To come to terms with the Manchurian group by political means for the time being instead of by military operations (which would involve conflict with Japan against whom China at present is not yet well prepared) to wage war so that a united front may be presented

Some Troubles That Exporters Have

BY G. W. M.

THE principal difference between doing an import and an export business in China is that in the former you know pretty well what you are handling, and in the latter you do not. Manufactured articles, particularly from the United States, are in these days carefully made up to a certain standard, and the importer's concern is, mostly, first to get the agency and, second, to get the customers; he need do very little worrying about the quality of the article itself; he can take that for granted. It is, however, quite a different story with the exporter of China products. There is no difficulty about getting a supplier. There are hundreds ready to offer him export articles of all kinds, and he has usually before him enquiries galore from all parts of the earth, the attraction that China articles have for purchasers in other parts of the world being that they are cheap, or at least have the reputation of being so. But in the export game the "rub" comes in the article itself. Lucky indeed is the exporter who gets his products shipped and accepted at destination without any claims. Chinese suppliers are up to all sorts of tricks; but in this they are no different than the Puritans who sold wooden nutmegs.

Exporting Requires Practical Experience

One can learn most of the principles of conducting a successful business from a book, but to *know* your export article when you see it requires years of practical handling of the article, yes, in certain lines a lifetime, and even then experts have been known to be "stuck." China is a large country, and the range of exports—nearly all raw products—is a very wide one. It is humanly impossible for any one person to become an expert in all China products. If, for example, one man has become expert enough to judge say wool and furs, he has about covered the range of the average expert's ability.

Seldom it is that business ability and expert knowledge of export products is combined in one individual. Those that do have it are becoming rapidly rich, for there is much money to be made in exporting Chinese produce to foreign countries; that is, in theory. The pitfall is that many make more losses than they do gains, or rather they lose so much, because of some blunder, in one transaction, that it takes ten other deals to make up for the loss.

In China, like in all primitive countries, the average export article is in a very rough and dirty state. That is the basic trouble, and the situation is aggravated by deliberate adulteration by the suppliers. A shipment of peas, for example, will have a certain amount of small pea-size stones mixed with the peas, peanuts that are supposed to be all of the current season will have nuts from the previous season mixed with them, duck feathers will have chicken feathers mixed with them, and a package of hides that is supposed to be 70 percent firsts will contain only 50 per cent; and so on.

Innumerable Pitfalls

The pitfalls for the exporter are almost innumerable Each country has its own predilection for assortments, its own idea of quality, and frequently only has use for units of a certain size. There was for example, quite a furore, something over a decade ago, when the American authorities refused admittance to large quantities of egg products from China. Up until that time it had been the common practice for Chinese egg driers to use zinc trays, and as a result a certain amount of zinc oxide was contained in the finished product. As zinc is injurious to public health the American authorities quite rightly refused admittance to the cargo. On the other hand such zinc-impregnated dried egg products are admitted to certain other countries.

One of the articles with which exporters are badly caught occasionally is the common peanut. Even at best peanuts will only stand shipment during certain seasons, and if by any chance they are old or have absorbed too much latent moisture the entire lot is liable to mould and mildew by the time it arrives at destination—practically a total loss. The American importers of peanuts will accept only large size peanuts. If smaller sizes are mixed with the lot the American buyer will probably reject the whole shipment. As with the products above mentioned so it is with nearly every article. Each has its element of danger.

China has not yet developed a bureau of standards or offices where the exporter can get a certificate which will pass muster and be accepted by the receiver of the cargo in Europe or America. A start has been made, however, by the local Chinese authorities, who have established a sausage casing testing bureau. Private initiative has established testing houses for cotton and silk, but these are special lines, requiring huge capital, and not open to the rank and file of import and export merchants.

The Need For Independent Inspection

In the smaller exporting houses in Shanghai, and other treaty ports, the average partner in the firm is not himself equipped with the necessary expert knowledge to pass on the export articles which the firm handles. The volume of business likewise is not sufficient in any one line to employ an expert in that particular product. The result is that the inspection of the cargo is left to the compradores and their staffs and many of them do their duty conscientiously. On the other hand, quite a few do not. In any event, when a claim is made from abroad, friction occurs, not only between the exporter and his customer, but betweem the exporter and his compradore, a great deal of which could doubtless be avoided if certificates from some independent source, either Government or private, could be secured, testifying to the quality and condition of the cargo at the time of shipment. In due course the Chinese Government will doubtless become sufficiently "jealous" of the reputation of its export products to see to it that they must be inspected and certified to by official inspectors before shipment. In the meantime private enterprise will doubtless supply the facilities for making such inspections, covering general lines of export produce.

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to Japan and to foreign powers; 4. The disbandment of superflous soldiers and utilization of them in exploitation of waste land and road-construction; and 5. The suppression of bandits whose rank and file has been greatly swollen by the defeated soldiers, so as to relieve the people from the immediate scourge of the post-war conditions.

Now is an ideal time for the Nationalists to make good their promises to the people and for them to prove to the world the charge against them as false and malicious that they can only destroy but cannot build up!

Harbin, June 9, 1928.

Correspondence

Japanese Ambitions at Tsingtao

To the Editor, *The China Weekly Review*:

The Nippon Yusen Kaisha apparently considers Shantung as already belonging to Japan for in its Travel Bulletin No. 35 just to hand it gives Japanese names to various places at Tsingtao. I am sure if anyone were to tell a Chinese ricshaman or chauffeur at Tsingtao to take him to Asahi-yama, Mannen-zan, Wakazuru-yama, or Kamio-yama, the said ricshaman or chauffeur would scratch his head and reply "Me no sabe," but they are all there in the N. Y. K. Travel Bulletin. Moreover, prices are quoted in *Yen* for motorcar, motorbus, carriage and ricsha rides, so one infers the Japanese would like to see the *Yen* again in circulation in Shantung.

Tsinan, June 15, 1928 "Hop To It."

It Depends on Whose Ox is Gored

To the Editor, *The China Weekly Review*:

The *Osaka Mainichi* of June 9 prints an editorial about the bombing of Chang Tso-lin under the heading, "Assassination the Resort of Cowards." In the course of the editorial it is stated, "Assassination is a fool's act, and is cowardly."

But, just suppose it was the other way about—if it were the Japanese, for example, the murder of the Queen of Korea 20 years ago?

Mukden, June 15, 1928 CHINESE READER

How Shanghai College Students Observed Holidays

President H. C. E. Liu, of Shanghai College, has issued a circular letter in praise of the pupils of the College for their conduct during the "poisonous month of May." In May the calendar of holidays and anniversaries was as follows: May 1, Labor Day; May 3, Tsinan Incident; May 4, Students' Movement Day; May 7 and 9, National Humiliation Days; May 18 Martyr Ching Chi-wu's Memorial Day; May 30, Shanghai Incident. The policy of the faculty of Shanghai College is to guide the students—not to suppress them. Programs suitable for the various days were arranged and the students were kept occupied many days on which other schools were entirely closed.

Chinese Oil Expert Interviewed in Honolulu

The Honolulu *Star Bulletin* of May 17 contains an interview with Dr. Chun Young-chan, who is connected with an oil operator in Los Angeles, California. Dr. Chun, a native of Honolulu, holds the degree of petroleum engineering from the University of Pittsburgh, and was *en route* to China to visit his mother at Heung Shan, in South China. Dr. Chun is quoted as saying that the development of the potential petroleum fields in this country will prove the salvation of China.

American Opinion on the Far East

Japan and China

(New York Times, May 17)

Japan's demands served upon the Chinese Nationalists should be considered in the light of similar ones made a year ago by the Americans and British after the Nanking affair. Two have already been complied with—an apology by the Chinese Commander-in-Chief and the punishment of the Chinese General in command at Tsinan. The third demand is a mere formality—that the Chinese negotiators shall have credentials from Chiang Kai-shek, present head of the Nationalist Party. None of these are unusual, nor do they impose an unfair burden upon the Chinese. There remains the clause which insists that the Nationalists shall suspend hostilities and all military activities within twenty miles of Tsinan and the Shantung Railway. While this is not unlike the suggestion put forward by the American Secretary of State a year ago that a neutral zone should be declared about Shanghai, it may bring about a situation by which the Japanese will be able to dominate Shantung and to cut the Nationalist lines of communication at will.

Japan and Manchuria

(The New York Times, May 21)

It is premature to read into Japan's warning that there must be no fighting in Manchuria any sinister change in her relations to that region. Ever since the Russo-Japanese War Japan has looked upon Mauchuria as of special concern to her. Although the three provinces that comprise Manchuria are still under Chinese governmental jurisdiction, Japanese influence has been sufficiently strong to isolate that section from the evil effects of China's civil wars. By maintaining peace in Manchuria, and by operating the South Manchurian Railway with a high degree of efficiency, the Japanese have made of this portion of China a haven of refuge and prosperity. Millions of Chinese coolies have migrated to Manchuria in the last few years in order to escape the terrors of civil war and starvation and to enjoy the opportunity to make a living which they are assured in Manchuria.

It is true that powerful factors in Japan have long sought to extend Japan's sway over Manchuria. The southern section has been, in fact if not in form, a sort of Japanese protectorate for the last twenty years. But with the exception of the Lansing-Ishii agreement, which is no longer in operation, Japan's efforts to have her special position in Manchuria formally recognized by foreign Governments have met with little success. Even the United States Government, when it negotiated the Lansing-Ishii agreement whereby it recognized that "Japan has special interests in China, particularly in the part to which her possessions are contiguous," made elaborate explanations to the effect that this did not admit that Manchuria was in any sense Japanese territory.

That Japan would use her influence—and her troops, if need be—in order to prevent the extension of the civil war into Manchuria has always been obvious. Her formal statement to this effect is only disconcerting if it is to serve as the starting-point of a new policy under which Japan would work for the ultimate annexation of Manchuria.

For China's Starving

(The New York Times, May 26)

The Chinese have a proverb that an army of grasshoppers has no political affiliations. By this they mean that soldiers, like grasshoppers, are a scourge, regardless of the General or Province which they represent. The soldiers of the now retreating Northern armies under the direction of Chang Chung-chang were notoriously damaging in the famine-stricken regions of Shantung. Their withdrawal is being hailed by rich and poor, who are in hopes that the Nationalists will not be so harsh and grasping. This is a good sign for the starving, as these are indications that the Nationalists will do what they can to help the famine relief work in Shantung Province.

One of the reasons that delayed the work of raising money for the famine sufferers was that no confidence was felt in the cooperation of Chang Chung-chang, who controlled Shantung until the recent Nationalist victory. It was feared that food sent in for the starving would be seized by him for his troops. This fear no longer exists, with the result that the drive for the $10,000,000 fund is now well under way and is being pushed as rapidly as possible owing to the necessity of immediate relief. Reports from Shantung are gruesome—nearly ten million persons affected by the famine, of whom several million seem doomed to certain death unless immediate aid is forthcoming. Children—especially baby girls—are being thrust into the street to die, others are being sold into slavery. The old and sick are dying on a starvation ration of grass and roots. Swarms of homeless sufferers are sweeping over the province, bringing disaster and sickness into new districts.

Japan's Policy in China

(The New York World, May 17)

The Japanese terms to China, asking compensation for damage suffered in the recent riots, contain one remarkable proviso. It is this: that within a neutral zone twenty miles wide along the whole length of the Shantung railway "warlike activities" must cease. To judge from the despatches, this proviso is capable of only one interpretation. It forbids the Chinese Nationalists to make use of the Shantung railway for the movement of troops in their advance toward Tientsin and Peking. Since there are only two railways leading to Peking, and this is one of them, the Chinese Nationalists cannot comply with the Japanese proviso without abandoning half of the northern drive by which they have aimed to consolidate China under a single government.

This form of interference by Japan is the more remarkable because it is made without treaty sanction. In such cities as Shanghai and Tientsin foreigners (Japanese included) have certain territorial rights which, whether good or bad from the Chinese point of view, are at least assured by treaty. In Shantung, however, no such rights exist. In attempting to set aside several hundred miles of railway as a neutral zone, Japan is acting without benefit of treaty.

The fact may be, as some of the Japanese newspapers have alleged, that the Japanese Government wishes to cripple the Chinese Nationalist movement and help destroy it. But whatever the Japanese motive, the terms of Japan's note contemplate intervention in China on a more ambitious scale than China has witnessed since the Boxer revolution.

Hasty Charges

(New York Evening Post, May 14)

The attempt of the Chinese Nationalists to take their case against Japan to the League of Nations is of no immediate importance. They charge that the fighting between their soldiery and Japanese troops at Tsinanfu was provoked by the Japanese. They declare that the Japanese troops committed many "atrocities" on the Chinese. They accuse Japan of trying to put the Province of Shantung under military occupation with a view to staying there. But the Nationalists have discredited themselves in cases of this kind. It will be remembered that their reports on the Nanking incident of a year ago were so exaggerated that the facts were unrecognizable. They could not today command credence even though they stuck to the actual facts. The League authorities could scarcely be expected to deal with any such mass of fabrications as would be expected from Nationalist Chinese sources.

Japan's Strategy Perils Open Door

(New York American, May 22),

Secretary Kellogg, while affirming, for the present, a "hands off" policy with respect to Japan's encroachments in China, is careful to make two facts clear.

The United States has never recognized that Japan has sovereignty in Manchuria. In its eyes Manchuria is Chinese territory, subject to Chinese control, limited only by lawful concessions.

This country has had ample reason to know what Japanese concessions in Manchuria usually mean. Behind solemn pledges of an open door, they are vantage points for relentless crowding of other interests out.

The second fact revealed by our Secretary of State is that Japan's action in declaring a closed season in Manchuria was taken without advance notice to Washington.

This is typically Japanese. Grab first, palaver afterward, is the philosophy of the Tokio feudalists.

Although our "hands" may be officially "off" just now, while China is in the throes of civil demoralization, they should be put on again with vigor the moment China gets a government which we can recognize.

Should Peking fall and any good semblance of Nationalist administration be set up in place of the nondescript rule now tottering there, that might be an appropriate moment for the United States to recognize the new regime and morally strengthen its hands in defiance of Japanese aggression.

Two Notes To China

(New York World, May 22)

Two warnings have been sent to China simultaneously. One warning comes from the Government of the United States and urges both factions in China to respect the neutrality of foreign areas in the Cities of Tientsin and Peking. The American note disavows any intention of interfering in China's civil war. The other warning comes from the Government of Japan. It likewise disavows any intention of interfering in the war between the Nationalist and Northern Armies, but

couples with this disavowal a warning that may be of far-reaching importance in the East. Should China's war threaten to spread from China proper into Manchuria the Japanese Government declares that "possibly (it) will be constrained to take appropriate and effective steps for the maintenance of peace and order."

The importance of this declaration is due to the fact that for some years Japan has regarded Manchuria as her special sphere of influence and that she has attempted on various occasions to obtain international recognition of her special interest. Times without number the prediction has been made that when the moment seemed auspicious Japan would seek to detach Manchuria from China and control the province as her own.

It is now reported by several of the American correspondents in China that this moment has arrived and that the Japanese warning to China bears witness to the fact. At this distance such an interpretation of the Japanese note seems overeager. But if the report is true, then two things of great importance have happened in the East, First. Japan has resigned herself to the triumph of the Nationalist movement in China proper. Second, a new Alsace-Lorraine has been created in Manchuria.

Japan's Policy in China

(*New York World, May 24*)

A despatch to the *Times* from Tokyo reports that a decision of far-reaching importance has been reached by the Japanese Government. The despatch asserts:

The next phase which Japan looks for in China is the establishment of the Nationalist Government in Peking, and her present policy is to smooth its way. * * * Japan's policy is being dictated by self-interest. She wants to see the civil war end, so that trade may improve and normal relations may return.

The importance of this decision, if it accurately reflects the facts, is self-evident on the face of the news which it reports. It means the possibility of co-operation rather than conflict between two neighbors in the East. It means that instead of helping to keep China divided, and therefore weak, Japan may actually assist in the development of a strong central government in China. It does not mean, presumably, the renunciation of any of Japan's "special interests" in Manchuria, but may mean a new policy in China proper which would alter the drift of imponderable forces in the East.

This is to take the present report from Tokyo at face value. Whether it can properly be taken at face value is a matter, of course, which must be tested over a period of time and in the light of facts. This much may be said, however, even from a considerable time it has been apparent that there are two conflicting points of view in Japan regarding a proper policy in China. One point of view opposes the development of a strong central government in China. This opinion is shared by the concession-hunters and the military. The other point of view favors the idea of a strong Chinese Government. This point of view is shared by the traders and by those idealists who believe in the renaissance not only of Japan but of the entire East.

Between these two points of view there is a contest for authority. A good deal of Asia's history in the next few years depends on the result.

Japan's Hold on Manchuria

(*The Nation, May 30, 1928*)

Manchuria is a part of China according to geography, population, history, and international law. But leaving right and tradition aside, it is today ruled by Japan. Through the South Manchuria Railway and an army of "railway guards" she dominates it almost as completely as she dominates Korea. The recent announcement, which is causing so much concern in all the foreign offices, that Japan would "take appropriate and effective steps for the maintenance of peace and order in Manchuria" is a repetition of the methods by which Japan absorbed Korea; and those of us who had hoped to see new trends in Japanese policy are constrained to admit that the Nippon Government is today pursuing the same policy of ruthless and deceitful imperialism which left the Empire of the Rising Sun in hated isolation a decade ago. The world has not forgotten the lies told first about Korea and then about the Twenty-one Demands in 1915. Nor has it forgotten that in 1922 Japan signed a solemn nine-Power treaty agreeing "to respect the sovereignty, the independence, and the administrative integrity of China." While civil war rages south of the Great Wall attention may be diverted to other facts. When that is cleared up the world's attention will be concentrated upon Japanese encroachment in Manchuria.

British Press Opinion on China

The following summary of British press opinion was sent by Reuter from London, June 19.

The *Daily Telegraph*, in an editorial article on the Chinese Nationalist Government's declaration to the Powers, states that it again illustrates the inveterate inability of the Chinese Nationalists to see themselves as others see them, and their invincible belief that the Powers can be hoodwinked or bluffed into accepting the Kuomintang's estimate of themselves and their achievements.

How, asks the paper, can the Nanking Government expect the Powers to accept their assurances that they will faithfully observe any new obligations into which they enter in view of their cynical interference with the working of the Salt Gabelle. There is no sort of confidence that the Nationalist Government will not similarly interfere with the Maritime Customs if the opportunity arises.

The phrasing of their declaration, the journal asserts, obviously leaves the Nanking Government a loophole to repudiate any and every (treaty concluded with) previous Governments of China on the ground that they were not concluded on a basis of equality. That is the Bolshevik pretext for repudiation, and it is easy to see from where the doctrine has been borrowed.

The *Times* in the course of an editorial article, expresses the opinion that there are strong economic and sentimental reasons for the transference of the Chinese capital to Nanking, which is also less exposed to foreign attack than Peking, but considers that the situation in Menchuria and Mongolia militates against a change, South-Manchuria being the object of official Japanese interest while Outer-Mongolia has become to all intents and purposes a Soviet protectorate and one of the channels of Communist penetration. The paper wonders whether a transfer of the capital may not lead to a dangerous loss of central control over the vulnerable marches of North China.

Shanghai Man in Interview Misinterprets Situation in China

An interview printed in a recent issue of the Victoria (B. C.) *Daily Colonist* with W. J. Furness, an electrical engineer connected with the Shanghai Municipal Council, on the occasion of the latter passing through that city, is an example of how the public abroad is misinformed on the situation in China by a certain type of "old China hand." Mr. Furness is quoting as saying: "The foreigners in China think, the only solution to the problem is foreign intervention. Many of the better class of Chinese would welcome intervention. The Chinese is essentially a business man, a man of commerce. All he wants is the opportunity to conduct his business in peace and quiet. If it were not for politics and inefficient government he could. Foreign intervention would open up the ports of the country to increased commerce."

Such a statement is, of course, nonsense, although it is a fact that certain compradores of foreign firms, more out of politeness to their employers predilections than as the expression of their real sentiments, have been known to express such an "opinion."

Japanese Railway Enterprise in Kiangsi Province

According to a recent *Rengo* (Japanese service,) dispatch from Shanghai which appeared in the papers in Japan negotiations between the Japanese East Asia Industrial Company and the Provincial Government of Kiangsi for a Nanchang-Kiukiang Railway Loan, appear to have been satisfactorily settled. Chu Pai-teh, head of the Government, is reported to have issued an official undertaking for payment of the capital and interest invested by the Japanese concern in that railway.

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The Nationalist Declaration on Foreign Policy

BY J. B. P.

According to reliable reports from Mukden on Thursday, June 21, Marshal Chang Tso-ling is dead, having succumbed to injuries sustained when his train was bombed at Mukden, June 4.

The Nationalist Government Council on June 15 issued a formal declaration on the subject of foreign policy, the declaration being made public simultaneously with the inauguration of Dr. C. T. Wang as Foreign Minister. The Nationalist declaration was as follows,

"Now that the unification of China is being accomplished, the Nationalist Government of the Republic of China has the honor to make to the friendly nations of the world the following declaration.

"The revolution led by the Nationalist Government has for its primary object the building up of a new state. As the military period of the revolution is closing, the Nationalist Government is now engaged in the work of rehabilitation and reconstruction so that a new state may soon be realized.

"What we mean by a new state is the putting into effect of the Three Principles as laid down by our late Chief, Dr. Sun Yat-sen, so that we may gain for our people the blessing of liberty and freedom, and for China international peace on the basis of equality. We will naturally discard any militaristic form of government which has been a practice of the past; we will not tolerate any persons who aim at the destruction of modern social institutions, such as the communists.

Gen. Chang Hsueh-liang, Son of Marshal Chang Tso-ling, who, according to report, has been appointed Tupan of Fengtien and who is reported to be favorable to joining the Nationalist Government.

"To realize its hope for a new state, the Nationalist Government must put its international relations on a new basis. For eighty years China has been under the shackles of unequal treaties. These restrictions are in contravention of the principle in international law and of mutual respect for one another's sovereignty and are not allowed by any sovereign state. Hence China has, in various declarations, asked for the sympathetic understanding of the friendly nations. We are pleased to note that since the latter part of 1926, the spokesmen of the powers have expressed their willingness to negotiate new equal treaties. Now that the unification of China is being consummated we think the time is ripe for taking a further step to begin at once to negotiate, in accordance with diplomatic procedure, new treaties on the basis of complete equality and mutual respect for each other's sovereignty. The Nationalist Government firmly believes that when this is accomplished, the friendly relations between China and the other powers, the good-will among the peoples and China's international trade and her facilities for transportation will be ever on the increase; and even better protection will be afforded to the lives and property of foreigners in China.

"The Nationalist Government wishes to make to the friendly nations the further declaration that it will not disregard nor has it disregarded any international responsibility in consequence of agreements and understandings properly and legally concluded and on the basis of equality. When the treaty restrictions are removed, the mutual assistance, morally as well as materially, that may be rendered between China and the other powers will no doubt enhance the progress of the civilization of the world.

"With profound sincerity the Nationalist Government, in the name of the people of all China, makes the foregoing declarations to the whole world; and hopes that all friendly nations will accord their fullest sympathetic understanding to its program of a new state as a step toward the attainment of the ideal of mutual help for the glory of mankind and for the permanent peace of the world.

The Foreign Minister's Declaration

Dr. C. T. Wang, Foreign Minister of the Nationalist Government, immediately after his inauguration, also made a declaration on the subject of foreign policy which was as follows:

"We now stand at the threshold of a new China. The vast energy that the whole nation has devoted to the achievement of the great object of battering down opposition to the true spirit of democracy may now be released for constructive work and for making China a better China to live in for all of us, and for the generations that will come after us. China is being unified; wars are over. On the ruins of the military operations, the Nationalist Government of the Republic of China must begin at once its program of rehabilitation and reconstruction, aiming at the realization to the fullest extent of the declared purpose of the revolution, to give the people a better livelihood. At the same time it should direct its energy toward the bringing about of equality among the nations, China in co-operation with all other nations will contribute her share toward the promotion of world peace.

"At this juncture of China's rebirth, the Government has honored me with the appointment to the portfolio of foreign affairs. I am perfectly aware of the importance of this trust and of the great responsibility that is placed upon me now. I have long since dedicated my life to the service of the nation. Like a soldier, I answer to the bugle call, whatever sacrifices that may entail, with the hope that I may do my share—however small that share may be—for the country and for the party. As to the diplomatic policy embodied in the declaration of the Nationalist Government, dated June 15, 1928, I solemnly declare that I will do my utmost to carry it into effect in letter and spirit to the end that China may be freed from her treaty restrictions and that China's international relations may become more and more friendly.

"I have, however, another word to say in regard to the future of China's diplomatic affairs. A weak country invites external encroachment. So our fundamental policy should be internal improvement. With the cessation of fighting, we should one and all devote our energy toward the improvement and reorganization of our industries, and toward the spreading of education among our people. May China progress with the rest of the world in prosperity and happiness. The friendly nations, it is hoped, will accord to China sympathetic assistance in her efforts to realize her aspirations by first freeing her from her treaty restrictions and, secondly, by giving her material aid. A strong and well ordered China will mean peace and happiness to the world."

The Situation in the North

The military situation in North China has become temporarily stabilized through the occupation of most of the territory south of the great Wall by the troops of Gen. Yen Hsi-shan, former Tupan of the so-called "model" province of Shansi who has been appointed Garrison Commander of the Peking-Tientsin area. Since the withdrawal of the troops of Marshal Feng Yu-hsiang from that area their places have been taken by the Hunanese and Hupeh troops under Gen. Bei Tsung-chi of Hankow. The garrison commander at Tientsin under the command of Gen. Yen Hsi-shan will be Gen. Fu Tso-yi, who gained national renown last year through his defense of the city of Chochow in Chihli Province against the Fengtien forces. It is also reported that Gen. Lu Chung-lin, a member of the Kuominchun Party, will be made an assistant to Gen. Yen Hsi-shan, as vice-garrison commander at Peking and Tientsin.

With the withdrawal of the Fengtien troops from northern Chihli Province and the reported death of Marshal Chang Tso-ling as a result of the Mukden bomb outrage on June 4, the political center of gravity has tended to shift to the Three Eastern Provinces of Shengking, Kirin and Holungkiang where Gen. Chang Hsueh-liang, the son of the former Mukden "warlord" has been appointed Tupan.

Military Conference Scheduled in Peking

Gen. Yen Hsi-shan, Garrison Commander in the Peking-Tientsin area has issued an invitation to Marshal Feng Yu-hsiang and Gen. Chiang Kai-shek to come to Peking for a general military conference, the chief subjects of discussion being the pacification of the North-China area and the question of the status of Manchuria. It has been reported that the military and civilian interests in The Three Eastern Provinces have sent delegates to Nanking for the purpose of negotiating a compromise arrangement whereby Manchuria might be incorporated under the Nationalist Government with a branch political council in Mukden similar to the arrangement at Canton, Hankow and Peking. Although it was originally

reported that certain elements in the Nationalist military organization were planning an invasion of Manchuria, it is now stated that the Manchurian question will now be settled through peaceful negotiations.

According to a report appearing in the *Kuo Min* (official) news agency on June 18, both Yen Hsi-shan and Chiang Tso-ping, the latter being chairman of the political committee in the war zone, both announced that no military force would be used in connection with the pacification of Manchuria until peaceful negotiations had failed in achieving the object. It was also stated that Gen. Yen had despatched Generals Yu Tseng and Hsin Hsih-lien as special delegates to Mukden for the purpose of negotiating with the Fengtien leaders, the basis of the negotiations being to induce the Fengtien leaders to accept the rule of the Three Principles and pledge obedience to the Nationalist Government. The Nationalist Government is apparently pinning its hopes upon the liberal attitudes of Generals Chang Hsueh-liang and Yang Yu-ting.

Curious Tangle in Chinese-Russian Relations

The capture of Peking has caused a further complication in the diplomatic relations of China and Soviet Russia due to the fact that Soviet Consuls are still functioning in Peking and Tientsin. When the Nationalist Government broke off relations with Soviet Russia last fall and sent the Soviet Consuls home, Marshal Chang Tso-ling's Government in the North did not follow suit but permitted the Soviet Consuls in North China to continue to function. Now that the Nationalists are in control of the whole country, with the exception of the Three Eastern Provinces, it has brought about a curious situation due to the fact that Soviet Consular officials are functioning in one part of the country under the Nationalist flag, but are not permitted to function in another part of the country under the same Nationalist flag.

Then in addition to this situation, there is another problem having to do with the disposition of the Russian share of the Boxer Indemnity which, up to the departure of Marshal Chang Tso-ling from Peking was being used for the support of some nine Chinese Government schools in the Peking area. According to an article appearing in the *Sin Wan Pao* on Monday, June 18, A. H. F. Edwardes, Acting Inspector General of Customs in Peking, has refused to hand over further payments from the Chinese Customs funds on the account of the Russian Indemnity to the Peking schools on the grounds that the two Chinese members of the Sino-Russian Boxer Committee had departed from Peking with Marshal Chang Tso-ling. The Chinese members of the Committee were Li Yu-chi and Ling Shu-tso and according to the report, the Russian members of the Committee have also refused to carry on without their Chinese associates. In the meantime it is stated the Chinese schools are greatly in need of funds for completing the year's work.

Soviet Russian newspapers arriving in Shanghai indicate a continued interest in the developments of the Chinese situation especially the relations between Japan and China. The official *Izvestia* in an editorial entitled "The Clouds Are Thickening" refers to an editorial in the American-owned *Peking Leader*, stating that Japan's memorandum to Marshal Chang Tso-ling probably was a preliminary step toward the annexation of Manchuria. The *Izvestia* expresses agreement with this American viewpoint and ridicules the "naive hope of the Nationalists ever being able to obtain any help from the League of Nations." The paper claims that Sir Austen Chamberlain must have been informed previously of Japan's move, and refers to editorial comment in the *Daily Mail* and *Times* which expressed approval of Japan's actions in sending troops to Shantung. The paper also alleges that France and America are keeping quiet, despite the Washington Conference. As a result of this situation the official Russian paper declares that, "so far there are no obstacles in the way of Japanese actions in China, but despite this, the actions of Japan constitute a policy which endangers the peace of the Far East and increases the differences among the Powers. The obdurate violation of the sovereignty of China and the annexation of Shantung and Manchuria are the forerunners of dangerous events which will not only break the peace of the Far East, but which will bring the whole world to a catastrophe. We have no need to add that the attitude of the U. S. S. R. as well as the people of the U. S. S. R. is absolutely neutral. We have been born under the motto, 'No More Annexations' and the policy of Russia has been a fulfillment of that motto." The same editorial refers to a recent article in the *Manchester Guardian* referring to a possible resumption of Sino-Russian relations and declares that the "direct pressure of the imperialists has tended to undermine the international relations of China."

According to a telegram appearing in the *Chung Hua* news agency reports on June 18, Chen Yi-shi, Chinese Charge in Moscow has wired the Nationalist Government urging resumption of diplomatic relations between China and the Soviet.

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Grover Clark, Editor

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Men and Events

Isidore Rosen of A. S. Gold & Co., New York City, is in Shanghai on business in the interests of his firm.

J. Meyrier, French Consul General, will be the guest of honor at the Union Club tiffin in Shanghai June 26.

Dr. H. H. Chang, Vice-President of the Kwang Hua University, has been appointed Councillor to the Foreign Office at Nanking.

Liu Wei-hsien, a student at Nanyang Medical College, committed suicide June 17 owing, it is stated, to pessimism over the Tsinan affair.

Shu Ko-ting, an official of the Central Bank, departed from Shanghai for Peking *via* Dairen and Tientsin end of last week to take over the Government financial organizations there.

The marriage took place in New York May 12 of Miss Siu Wai-sheung to Dr. Miao Chung-yi. The ceremony was performed at the home of Mr. and Mrs. Owen Roberts, 825 Fifth Avenue.

Dr. Tsai Yuan-pei has resigned from the Presidency of the Communications University, of Shanghai. Wang Po-chung, Minister of Communications, has been appointed to succeed Dr. Tsai.

F. F. Glass was awarded judgment at the U. S. Court for China, June 21, for $2,500 against the Commercial Credit and Information Bureau. The counterclaim based on alleged fraud was dismissed.

The commencement exercises of Soochow University College of Arts and Sciences, Comparative Law School, School of Physical Education and First Middle School will be held at Soochow, June 25.

Dr. Henry T. Hodgkin, of the National Christian Council, who recently returned from an extended trip in the Yangtsze valley, occupied the pulpit at the Community Church, Shanghai, Sunday, June 17.

The address which was to be given before the Rotary Club June 21 by E. Lemiere has been postponed until the meeting to be held June 28. Mr. Lemiere will speak on "Shanghai, Past Present and Future."

The annual meeting of the Shanghai branch of the Royal Asiatic Society will be held at 5 Museum road, June 28, at 6 p. m., at which time officers and members of the council for the ensuing year will be elected.

Miss Fannie Brown, a Y. W. C. A. worker from New York City, arrived in Shanghai, June 19. She is making a tour of inspection of Young Women's Christian Association activities in China and other Far Eastern countries.

W. P. Willson, who returned to the United States last year *via* Europe on resigning his position as secretary of the American Club, has returned to Shanghai and assumed the post of manager of the local branch of Arkell & Douglass, Inc.

Rev. E. C. Lobenstine continued his discussions before the Current Issues Class of Community Church Shanghai, Sunday, June 17, on the findings of the Missionary Conference at Jerusalem, to which he was one of the delegates from China.

Dr. H. H. Kung, Minister of Industry and Commerce, proceeded to Peking end of last week *via* Pukow, Hsuchow and the Peking-Hankow railway, where he conferred with Generals Yen Hsi-shan and Feng Yu-hsiang concerning various constructive measures.

A lecture illustrated with motion pictures on "Modern Motor Transportation" was announced to be given at the Navy Y. M. C. A., Shanghai, Friday evening, June 22, by Walton Schmidt, field representative of the National Automobile Chamber of Commerce, New York.

John H. Reisner, dean of the College of Agriculture and Forestry, University of Nanking, departed during the week for the United States on a holiday. After visiting relatives in Pennsylvania he will make his headquarters at 99 Clarement avenue, New York City.

A reception was announced to be given at the Foreign Y. M. C. A. building, 38 Bubbling Well road, Shanghai, Friday June 22, at 2.30 p.m. in honor of the delegates to the fifth employed officers conference of Y. M. C. A.'s, which was held during the week at Pootoo Island.

Mrs. Grayson, wife of Lieut.-Commander R. H. Grayson of the *General Alava*, and Mrs. Stirling, wife of Rear Admiral Yates Stirling, arrived in Shanghai last week on the Messageries Maritimes steamer *Sphinx*. Mrs. Stirling has in the meantime proceeded on a trip up the Yangtsze valley.

It is reported from Paris that Miss Soumay Tcheng, former Judge of the District Court in Shanghai, will be appointed Chinese Minister to France. Miss Tcheng and a number of other prominent members of the Kuomintang in France were recently entertained at dinner by the French Minister of Foreign Affairs.

Miss Norma Perkes, sister of Charles A. Perkes of the Robert Dollar Company, Shanghai, whom she visited here several months ago, and now residing at Berkeley, California, has become engaged to be married in August, to Gervais Hillis, of Claremont. Both Miss Perkes and Mr. Hillis are graduates of the University of California.

The Bank of China has brought suit against the British shipping firm Butterfield & Swire for Mex. $100,000 damages, which represents the loss suffered by the bank last November when they handed over twenty cases of silver dollars to be transported to Wuhu. Instead of landing the silver at Wuhu the ship took it on to Hankow where the military authorities confiscated it.

The graduating exercises and conferring of degrees of Doctor of Medicine upon 13 young Chinese candidates of the Pennsylvania Medical School (the Medical Department of St. John's University) took place in the hall of the Royal Asiatic Society in Shanghai on June 16. The ceremony took place in the R.A.S Hall owing to the suspension of St. John's University for some months past.

First Meeting of Soong Economic Conference Held June 20

The first session of the Economic Conference called by T. V. Soong, Minister of Finance, was held at the Shanghai office of the Ministry June 20. Upwards of a hundred of the leading Chinese bankers, industrialists and financial experts were in attendance.

In his opening address Mr. Soong said that up till now the Nationalist Government had been in the military stage and almost its sole aim had been to secure military success at any cost. For that reason its financial policy had been directed towards securing enough funds for the front, without any undue disturbance to the rear. The Northern campaign was now completed, happily without strainting the rear to the breaking point. With the capture of Peking, he said, government was now able to divest itself of war psychology and devote its efforts towards reconstruction. The Ministry of Finance was attempting to perform its part in this great task, and sought the guidance and co-operation of prominent financiers, industrialists and economists, who had been summoned to the conference.

Mr. Soong then discussed the five important problems, which he proposed to submit to the particular sub-committees and later to the general conference, for discussion. They were: Currency, National Indebtedness, Taxation, Commerce and National Expenditure.

The following five committees will submit recommendations to the General Session on Tuesday next:

Currency Committee: Chen Hang (Chairman), Messrs. Hsu Kan and Cheng Jui-chia.

Public Debts Committee: Ku Lih-jen (Chairman), Messrs. Hsu Chi-ching and Loh Hsu-tang.

Taxation Committee: Chia Sze-yi (Chairman) Messrs. Wei Ting-sen and Tsai Yuan.

Commerce Committee: Pei Chu-yi (Chairman), Messrs. King Hsiang-chung and Sun Wei-sen.

National Expenditure Committee: Li Tiao-sen (Chairman), Messrs. Wang Hou and Chow Chang-kuei.

No Communism in the American Navy!

Secretary Wilbur of the U. S. Navy Department at Washington has officially denied a report issued by the Third International at Aix La Chapelle, Germany, stating that ten "communist cells" had been established in the U. S. Navy. The report appeared in the American newspapers on May 17 and quoted one Jack Wilson, American delegate to the meeting of the Third International Conference at Aix La Chapelle, Germany stating that ten "communist cells" had been established in the U. S. Naval and Marine forces. A communist "cell" is supposed to be two or three men who band themselves together for the purpose of spreading communistic doctrines among their fellows. Secretary Wilbur stated that while communistic literature had been distributed among American sailors and marines in China and elsewhere, there was no evidence of its having had any effect. This statement by Secretary Wilbur is also borne out by statements of the American Naval and Marine officers in China.

Victor Talking Machine Records to be Made in China

The Victor Talking Machine Co. is opening a plant in North China for the purpose of making records of the music of China. Recorders from the factory in Japan are coming over from Korea where they have been engaged in recording Korean music. The records made in China will be sent to America for processing and finishing. The wax on which the original impressions are being made was shipped from the United States.

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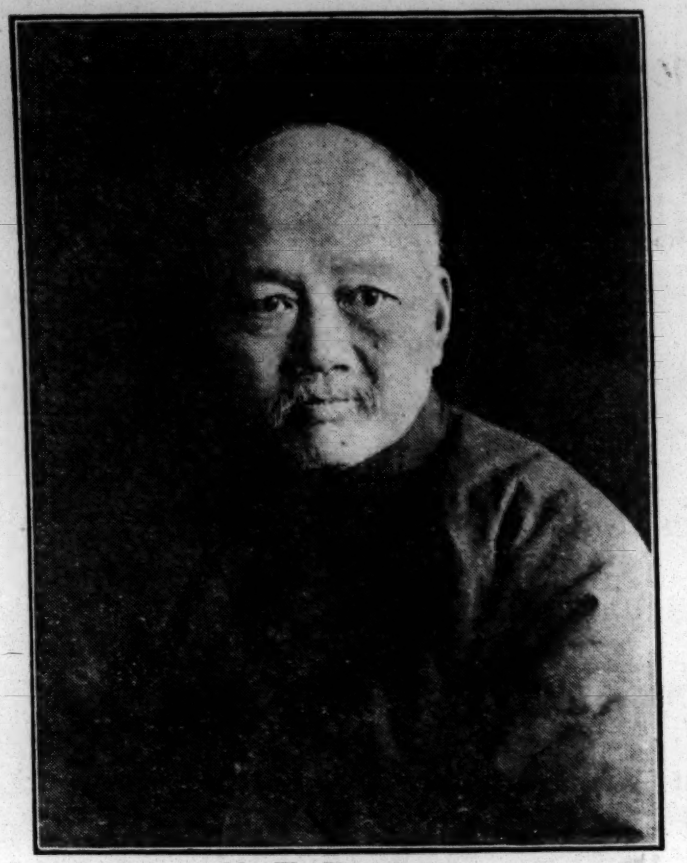
Who's Who in China



Mr. Wu Ching-heng

吳敬恆字稚暉

(Wu Tse-hui

Wu Ching-heng (Wu Tse-hui), prominent member of the Kuomintang Party, is a native of Changchow,Kiangsu Province where he was born in 1864. He received his early education in the town of Wusih, after which he entered the Nanching Academy, specializing in literature. After graduation he joined the faculty of Peiyang University at Tientsin and later became a member of the faculty of Nanyang College at Shanghai. He also studied for a time at the Hung Wen Normal Institute in Japan where he came into contact with the Chinese revolutionary organization which preceded the organization of the Kuomintang. Upon his return from Japan he was connected with a revolutionary organization in Shanghai in association with Dr. Tsai Yuan-pei, but becoming involved with the Chinese authorities he was forced to leave China and go to England. While in England he was associated with Dr. Sun Yat Sen and returned to China at the time of the First Revolution in 1911. Following the revolution, however, Mr. Wu became involved with difficulties with President Yuan Shih-kai and again was forced to leave China, returning to Great Britain. He remained in England and France for some time, conducting revolutionary activities among the Chinese students.

In March, 1927, he assisted the moderate faction in the Kuomintang in the elimination of the Communists from the Party, Mr. Wu serving as a member of the General Inspection Committee of the Kuomintang. He has always devoted himself to literary pursuits and his writings are widely known throughout China and among Chinese living abroad.

General Hu Tsung-tu

(胡宗鐸)

General Hu Tsung-tu, one of the military leaders of the Nationalist Revolution, who holds posts as Commander of the 19th Army and Garrison Commander of Wuhan, is a native of Hwangmei where he was born in 1892. After completing his early education in his native province, he went to North China where he entered the Paoting Military Officers' College. After graduation he entered the army.

General Hu shortly became a brigader commander having occupied the post as Chief of the Rehabilitation Bureau at Chengnan and Tupan for Border Defense of Kwangsi province. When the anti-Northern Expedition started in Canton in 1926, he was made a division commander of the 7th Army under General Li Tsung-jen and was also given command of the 3rd group of the Route Force. General Hu's troops won several victories in the campaign from Canton to Hankow, arriving in the latter city in the autumn of 1926.

In the autumn of 1927 General Hu was made Commander of the 19th Army and led his troops in the successful drive against Tang Sen-chi's forces in Anhui and Hupeh provinces. General Hu was largely responsible for the defeat of Tang Sen-chi. Toward the end of 1927 General Hu entered Hankow again with his own troops and assumed military control of the Wuhan center, being appointed by the Government as Wuhan Garrison Commander. General Hu did a great deal in restoring peace and quiet in Hankow and was responsible for the total subjugation of the Communists in Hankow and other districts of Hupeh province. In December 1927 he carried out the dramatic anti-Communist raid, rounding up over 300 Communist agents in Wuhan. When the expedition against Tang Sen-chi's remnants in Hunan began, he led his army to West Hupeh and then to Hunan, clearing all the rebel forces out of the latter province. In addition to his posts as Commander of the 19th Army and Wuhan Garrison Commander, General Hu is also Hupeh Chingsiang Tupan (Director of anti-Communist Work in Hupeh), member of the Nanking Military Council and member of the Wuhan Political Council.

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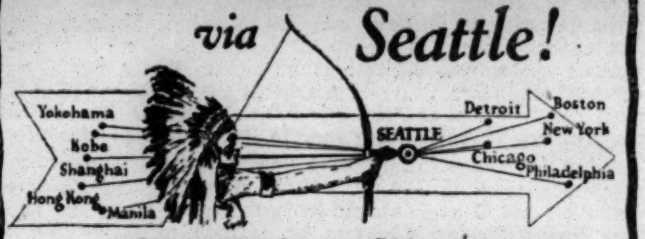

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(News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent), Kuo Min (Nanking official), Ta Chung (Kuominchun) and Toho (Japanese) news agencies, and from translations of articles and dispatches appearing in the local Chinese press).

Tuesday, June 12—Nationalist Government Council asks Chiang Kai-shek to remain in office; Yen Hsi-shan, Bei Tsung-chi and Feng Yu-hsiang also make similar requests; reported Admiral Yang Shu-chuang, and Hsueh Tu-pi, Minister of Interior tendered resignations—Li Chung-jen, chairman of Wu-Han Branch Council entertains foreign Consuls asks them to influence their home governments to assist China to obtain justice over Tsinan incident—H. H. Kung, Minister Commerce and Industry goes to Nanking and reported he is proceeding to Peking immediately—Liu Shang-ching, civil Governor of Fengtien wires Nanking stating that if Fengtien is not invaded, that it will join the Nationalists—*Kuo Wen* report states Yen Hsi-shan has again recommended removal of capital to Peking—Reuter report states alleged bandits attacked town of Chaikwanshan on Antung-Mukden branch of South Manchuria Railway and Japanese send force 150 men in pursuit—Chang Chung-chang and Chu Yu-puh evacuate Tientsin and Shansi troops begin entering city; much looting by retreating Northerners—*Kuo Min* reports many telegrams received in Nanking urging Chiang Kai-shek to remain in office—Canton report states C. C. Wu, Hu Han-ming and Sun Fo shortly returning to Nanking to report results of trip abroad—Canton Mint to be reopened shortly—Feng Yu-hsiang wires his general Han Fu-chu at Peking telling him that when Peking-Tientsin area pacified that Kuominchun troops are to be returned to Honan, Shensi and Kansu—T. V Soong, Minister of Finance, sends Chien Yung-min, former vice-Minister of Finance to Peking to investigate currency situation—*Kuo Min* report from Nanking states that Japanese military authorities at Tsinan have forbidden the Chinese Peace Preservation Society to remove the official records of the Governor's Yamen to Taian—Central Executive Committee of Kuomintang decides to issue call for 5th plenary session of Kuomintang to meet in Nanking on July 15; are now 17 members in Nanking and Shanghai—Chiang Kai-shek resigns chairmanship of Central Political Council—*Kuo Min* report states that boycott movement progressing at Wuhu, Chingkiangpu, Hofei, Ningpo and Hankow—Attempt of Korean revolutionists to stage demonstration in Shanghai prevented by French Concession authorities—*Ta Chung* report states troops of Gen. Yang Sen in Szechuen defeated by joint forces of Lai Hsin-huei and Kuo Ju-tung.

Wednesday, June 13—Nanking Government Council passes mandate complimenting T. V. Soong for his excellent administration of Nationalist Finance which has largely been responsible for the success of the campaign—Nanking drafts regulations for garrison commander at Peking which are similar to status of Shanghai and Nanking—Ma Chao-chun, provincial commissioner of reconstruction at Canton submits plan for Bank of Agriculture and Industry with capital of $2,000,000—Nanking Council instructs Chinese and ministers abroad to carry on and fly the Nationalist flag—Tientsin placed under command of Gen. Fu Tso-yi, hero of Chochow—Chiang Kai-shek's field headquarters at Hsuchowfu, removed to Nanking—Nanking Government Council issues mandate for internal reconstruction covering legal administration, civil service reform, extermination of banditry, abolition of exorbitant taxes, reduction of the army—Chao Yi-pang, director of Techow and Sinchang arsenals in Shantung, summits report to Nanking Government alleging that the Japanese military were responsible for the deliberate destruction of the Sincheng Arsenal on May 24, the Japanese having reported that it was blown up by Southern "plainclothes" men; loss estimated at $200,000—Nanking considers question of removal of Dr. Sun Yat-sen's body from Peking to Nanking but finally decides to defer action until meeting of 5th Plenary Session of Kuomintang Central Executive Committee on July 15—Reported that Gen. Koo Cho-tung's forces will be stationed in Nanking as garrison troops—Ting Wei-feng petitions Central Executive Committee to resign as member of standing committee and head of training department of Central Party Headquarters—Military Council decides to establish national military prison—Gen. Yen Hsi-shan recommends that all "enemy" property be sold and proceeds devoted to philanthropic relief—Hupeh announces domestic loan of $1,200,000 for constructing water system in Wuchang—Nanking sends commission to Peking to take over control of all documents in the President's office for safe keeping—Tsai Yin appointed Counsellor of Ministry of Justice—Gen. Chien Ta-chun gives Chinese silk filiature workers at Shanghai three days to go back to work—*Ta Chung* report states that Gen. Han Fu-chu's action in disarming the Fengtien brigade under Gen. Pao Yu-lin at Peking was upon the orders of Feng Yu-hsiang and that this action has nothing whatever to do with the safety of foreigners at Peking and hence of no possible business of the Diplomatic Corps—City Kuomintang Branch in Peking reported to have recommended the arrest of Hsiung Hsi-ling, former Premier and noted philanthropist at Peking, but Tan Yen-kai, chairman of Nationalist Council disapproves Nationalist Council order that all educational institutions must come under the Government, including Tsing-Hua College the American Boxer preparatory school at Peking and the Geological Bureau of the Ministry of Agriculture and the Peking Observatory.

Thursday, June 14—Nationalist Government Council approves recommendation of Sun Fo and Hu Han-ming that Chinese Ministers and Consuls abroad be instructed to carry on and that Peking Foreign Ministers be notified to same effect; list of Ministers to be retained being compiled while those not retained will be recalled—Hunan Provincial Government announces extensive plan for rehabilitation—Foreign Ministers in Peking express hope Yen Hsi-shan will continue his excellent administration in the Peking area which has prevailed in Shansi for so many years; also express hope early national reconstruction; Gen. Yen replied stating purpose Nationalist revolution relieve peoples sufferings unify country, said he probably remaining Peking as garrison commander but questions pertaining political matters must be referred Nanking; Gen. Yen informed foreign correspondents that after subjugation remnants Fengtien forces within Great Wall that Government then will consider steps for pacification Three Eastern Provinces; martial law lifted Peking area; Chiang Tso-ping, chairman of political committee for War Zone with staff arrives in Peking—Bei Tsung-chi, field-commander of 4th Group army arrives in Peking and establishes headquarters in former Yang Yu-ting headquarters—Yen Hsi-shan orders 5th Shansi army to three special districts, Jehol, Chahar and Suiyuan—Nationalist flag raised in Chefoo—Yen Hsi-shan accompanied by Wang Shih-chen and Hsiung Hsi-lin go to Sun Yat-sen tomb in Western hills to do homage—Nanking decides to use contributions from overseas Chinese for development of National air service—Nanking Council published further correspondence with Peking Diplomats over the incident of the disarming of the Fengtien troops—Wu Han Branch of Political Council decides to use soldiers for road construction and other purposes—H. H. Kung, Minister of Commerce and Industry goes to Peking to confer with Yen Hsi-shan and Feng Yu-hsiang—National Anti-Japanese Committee being formed in Nanking for purpose of coordinating anti-Japanese activities—Feng Yu-hsiang telegraphs Chiang Kai-shek stating that unless Chiang withdraws his resignation that Feng will also resign—Chiang Kai-shek goes to Chekiang Province for week's rest—Lin Hsien-che appointed Foreign Commissioner at Tientsin—*Ta Chung* agency states Nationalist Government considering changing name of Chihli Province to Hopi Province, meaning province north of Yellow River—*Kuo Wen* report states Nanking is still undecided regarding the chairmanship of Peking branch political council, Yen Hsi-shan, Chang Chi and Li Shi-chang being considered—Seat of Chihli provincial government to be at Paotingfu and to have nothing to do with municipalities of Peking and Tientsin—Cablegram received from Paris states French Foreign Minister entertains Nationalist officials including Miss Soumi Cheng and express good wishes for Nationalists—Shanghai Amalgamated Street Unions congratulate Dr. C. T. Wang on his appointment as Foreign Minister; reported Fan Cheng-chu will be chief secretary of Ministry; Hsu Tung-fan, chief of foreign treaty bureau; Chow Lung-kwan, chief of general department; and that Wunsz King probably head of European and American treaty bureau—Chinese Chamber of Commerce, Red Cross and Shanghai charity organizations prepare to care for Nationalist troops which were held prisoners by Japanese in Tsinan who arriving here shortly.

Friday, June 15—Dr. C. T. Wang formally installed as Foreign Minister of Nationalist Government; Gen. Li Lieh-chun administers oath of office declares that in order to safeguard China as an independent nation is necessary for China to produce an efficient domestic administration and increase the military strength of the nation; Tan Yen-kai, chairman of Government Council said that despite China's weakness it was possible to obtain a just settlement of outstanding questions, including Tsinan incident, without resort to war; Dr. Wang replying said that with backing of people and government would do his best to be of service—Government Council issues formal mandate asking Chiang Kai-shek to carry on—Chiang Kai-shek orders Nationalist troops under Chen Tiao-yuan and Fong Chen-wu to return to Shantung and establish headquarters in Tientsin area—Feng Yu-hsiang goes to Sinhsiang on Peking-Hankow line—Li Chi-sum at

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Canton sends Teng Chia-jen to Nanking to participate in military conference; Kwangtung military commanders send joint telegram to C. C. Wu, Sun Fo and Hu Han-ming, asking them to return to China—Kuomintang leaders at Nanking decide to ask Gen. Chiang Kai-shek to go to Peking to escort remains of Dr. Sun Yat-sen to Nanking—Gen. Li Tsung-jen at Hankow telegraphs Nanking recommending that the Three Eastern Provinces be taken over by the Nationalist Government by peaceful means; also recommends reduction of armies, abolition of unilateral treaties, immediate reconstruction work, that People's Convention be convoked as soon as possible—Recommended that all personal property of Gen. Chang Chung-chang, ex-tupan of Shantung and Chen Kuo-sui in Shantung be confiscated—Peking Diplomatic Corps decides to release Customs surplus to Nationalist Government—Feng Yu-hsiang's troops withdrawn from Peking to Kuan, thus removing causes of rumors regarding friction with Yen Hsi-shan—Dr. H. H. Kung appointed as delegate to Peking to look after removal of Sun Yat-sen's body to Nanking—*Kuo Wen* report states Gen. Chang Chien shortly to be released—Hankow Chamber of Commerce sends delegation to Shanghai to attend economic conference called by T. V. Soong—Nationalist troops released by Japanese in Tsinan arrive in Shanghai; 53 seriously wounded sent to Shanghai hospitals—Wo Shih-cheng, formerly Commissioner of Education in Anhwei appointed president of Shanghai Provisional Court is Michigan University graduate and prominent member of Shanghai bar association.

Saturday, June 16—Ta Chung agency report states Yen Hsi-shan may appoint either Gen. Shang Chen or Lu Chung-lin as Deputy Commander of the Peking-Tientsin Garrison forces—Feng Yu-hsiang orders his subordinate Gen. Han Fu-chu, commander of Kuominchun forces at Nanyuan to remove to Hsincheng, stating that no Kuominchun forces should be stationed closer than 100 miles from Peking—Chow Tai-wen appointed tutung of Chahar and Gen. Li Pei-chi, acting tutung of Suiyuan, both positions, however, to be abolished after the organization of the civil affairs department—Many clashes at Tientsin between Yen's troops and so-called plain-clothes troops-Yen Hsi-shan recommends appointment of Chou Ao as mayor of Peking and Nan Kwei-hsin as mayor of Tientsin—Nanking University Council decides that owing to inability of Dr. Tsai Yuan-pei to go to Peking that Li Shih-tseng be appointed president of Chung Hua University (formerly Peking Government University)—Nanking Ministry of Interior issues order prohibiting prostitution, slave girl transactions and abduction of girls and drowning of girl babies—Reported that Peking-Hankow Railway seriously damaged by retreating Fengtien soldiers, all water tanks being destroyed and all locomotives excepting five damaged ones removed from sheds at Shihchiachuang—Report from Tokyo states that Japanese Government shortly opening negotiations for settlement of Tsinan incident and will refuse to withdraw troops pending settlement of Japanese demands—Dr. C. T. Wang formally assumes office as Foreign Minister and Government simultaneously issues declaration on Foreign policy—Train service on Peking-Suiyuan Railway being resumed—Gen. Yen Hsi-shan sends telegram to Feng Yu-hsiang denying rumors of split in their relations—Nanking Council sends Yi Pei-chi to Peking to take over Peking Museum; appropriates $50,000 for native products exhibition at Shanghai; appoints committee to unify weights and measures throughout China;—Yen Hsi-shan reports capture of Jehol from Fengtien troops by Shansi troops under Gen. Tan Ching-lin; Yen states that with Jehol under control of Nationalists that pacification of Three Eastern Provinces will be simplified—Ministry of Foreign Affairs appoints Chang Hsing-hai and Chu Pan-nien as Counsellors and Wu Kei-shing as chief secretary—Reported Chiang Kai-shek will withdraw resignation—Gen. Li Tsung-jen, chairman of Wu-Han Branch Council recommends that Nationalist Government should accept surrender of Fengtien generals and create branch political council in Mukden—Serious bandit disturbances in Anhwei province said to have killed more than 1,000 persons besides burning many villages—Harbin report states serious conditions prevail in Holungkiang owing to killing of Gen. Wu Chun-shen, that various generals refuse to recognize his son Wu Tai—lai as his successor and are supporting Wan Fu-lin; reported open clash imminent—Thirty representatives of Nationalist Government leave for Peking to liquidate government offices—Dr, C. T.Wang appoints C. T. Ing and James Wu as English secretaries of Foreign Ministry— Wu-Han decides to abolish Changsha Arsenal and create factory for employment of poor people in its place—Li Lieh-chun, councillor of Nationalist Government Council denies reports that Nationalist Government is seeking recognition from foreign powers—Feng Yu-hsiang goes to Kaifeng on inspection of conditions in Honan.

Sunday, June 17 and Monday, June 18—Chiang Kai-shek, in response to numerous requests, withdraws resignation and returns to Nanking to resume his duties; reported Chiang may go to Peking shortly for conference with Yen Hsi-shan and Feng Yu-hsiang—Yen Hsi-shan and Chiang Tso-ping, the latter being chairman of political committee in war zone, decide that no further military measures will be used against Manchuria pending outcome of negotiations; Yen appoints Generals Yu Tseng and Hsin Hsih-lien as special delegates to Mukden to negotiate with Fengtien officials—Reported Chang Hsueh-liang made tupan of Manchuria in succession to Marshal Chang Tso-ling—Ko Shu-ying, Keh Ping-yang, Wei Hai-nin, Kuo Ching-tuan and Chao Lien-ting assume office as party affairs directors at Taiyuan—Nanking decides remove office of Salt Gabelle from Peking to Nanking—Wu-Han Political Council decides to reorganize Han-Yeh—ping Iron and Coal Company—Yen Hsi-shan withdraws all notes of Bank of Shansi from Peking area and hands Peking Commerce Chamber $100,00 in silver for note redemption—Tsai Ta-sheng appointed director Tientsin Mint; Chien Chieh-kwei, superintendent of Salt Gabelle at Changlu; Chow Kai-chun, director of Chihli Stamp Tax Bureau; Chang Kwei, director of Chihli Tobacco and Wine Bureau; Chang Ta-chun, director of Inland Tax Bureau at Tientsin—*Ta Chung* agency report from Peking states American and French Ministers have telegraphed their governments recommending recognition of Nationalist Government—Reported that Japanese disarming all Chihli Shantung troops at Shanhaikwan who attempt enter Manchuria—Yen Hsi-shan recommends that all mandates of Peking Government issued prior 1927 shall remain effective but all issued since are cancelled—Chinese steamers operating on coast and rivers given permission to carry armed guards of soldiers against pirate menace—also orders installation of wireless on Chinese steamers—Nanking issues further statement on Pao Yu-lin incident at Peking (referred to in editorial columns)—Government Council orders all government offices to use native goods—Tse Chung-shou and Sung Pai-hsiang appointed directors of Kailan Mining Administration—Express train service between Peking and Hankow being resumed—Hankow report states troops of Wu Pei—fu at Tatsehsien, Szechuen, disarmed, but Marshal Wu's whereabouts unknown—Edwardes, Acting Inspector-General Customs at Peking says he has no objections to removal of head-office to Nanking—Dr. Ho Tse-hwa, head of military medical committee reports to Geneva that Japanese troops in Tsinan bayoneted to death more than 100 wounded Nationalist troops and asks that same be reported to International Red Cross as example of Japanese inhumanity—Chinese report from Tsinan states that Japanese troops guilty of more than 10 cases of rape upon Chinese women daily—Japanese Residents Association at Tsingtao recommends that Japanese troops be kept in Shantung permanently—Reported that Nationalist Government will shortly replace Chinese Ministers at Tokyo and The Hague.

Tuesday, June 19—Gen. Chow Hsi-chen, chairman of Kweichow provincial government dispatches four divisions of troops into Szechuen to assist Gen. Liu Hsiang against Yang Sen and Wu Pei-fu—Portion of Gen. Chang Tso-hsiang's Kirin troops disarmed by Japanese at Shanhaikuan—Yen Hsi-shan and Chiang Tso-ping ask Nanking for $1,000,000 for payment of troops before Dragon Boat Festival—Feng Yu-hsiang notifies Nanking that rifles seized from Pao Yu-lin will be returned to Pao's troops—Economic Conference called by T. V. Soong will meet on June 20; more than fifty bankers and merchants attending—Chiang Kai-shek instructed to proceed to Peking to hold ceremony over body of late Sun Yat-sen with Feng Yu-hsiang and Yen Hsi-shan participating—Liu Wen-hui appointed commander of 24th Nationalist army and concurrently field commander of frontier defense in Szechuen—First express train in two years travels from Hankow to Peking over Peking-Hankow line—*Kuo Min* report states serious anti-Japenese agitations in Harbin where boycott instituted—Yen Hsi-shan announces appointment of Li Pei-chi in charge of Suiyuan; Huang Lo-chu and Chao Mon-chow commander and vice-commander of 3rd army group—Li Hsin-shan representative of Chang Hsueh-liang, Han Lin-chun and Yang Yu-ting, so-called progressive Fengtien faction, arrives in Tientsin to discuss with Nationalist leaders future of Manchuria—*Kuo Min* report states receipt of message from Canton advocating establishment of capital at Nanking, alleging Japanese report from Canton quoting "certain Cantonese leaders" as favoring Peking as incorrect—Yen Hsi-shan requests brief leave of absence on account of illness—C. T. Wang reports that Nationalist flag now flying over all Chinese consulates and legations abroad—Feng Yu-hsiang orders memorial service at Nankow Pass in commemoration of 20,000 of his

(*Continued on page 150*)

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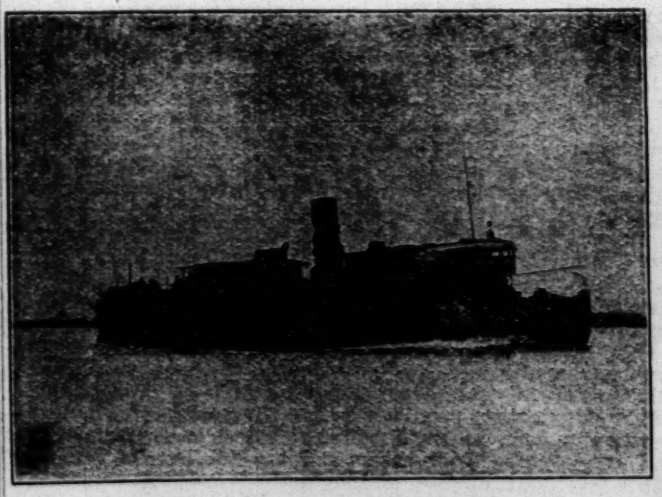

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The H. W. Wilson Company has a number of useful Indexes and Reference Works to its credit, and this is another of them. It is a handbook endeavoring to represent the essential background, changes, and foreign implications back of the present upheaval in China through selections from a varied and up-to-date literature. Articles from writers of both Eastern and Western races have been included.

The handbook consists of three sections. The first represents the more permanent background of the country—geographical, racial, cultural and religious; the second groups material relating to present-day China, statistical, Renaissance, educational, political, National, missionary, industrial; and the third deals with the various problems of international relations, including the much-discussed status, privileges, and rights of foreigners in China. A large, selected and classified bibliography is also given, which is confined largely, for reasons of space, to books and material published in recent years. The compilations as a whole has been done with regard to the needs of debaters, study clubs, and readers for general information and special topics.

This really is one of the most useful attempts that have recently been made to meet the growing demand on the part of the English-speaking public for books dealing with China's historical background as well as with her present-day condition. Materials are to be found in it touching on all the important phases of China's national life. Few books could be more admirably convenient for the average reader who is really interested in the details of the subject but who cannot afford the money to buy or the time to search out the large or recondite works from which all these articles are culled. The names of the famous writers who contribute would be too long to quote 'in extenso', but the following are a few of them: Ku Hung-ming, W. E. Soothill, Tsai Yuan-Pei, Julean Arnold, Grover Clark, T. Z. Koo, Hu Shih, Wellington Ku, William E. Borah, Bertrand Russell, Rodney Gilbert.

J. D. M.

Men Who Missed the Presidency

The "Also Rans" Book, by Don C. Seitz. New York: Thomas Y. Crowell Co.

At first one wonders why any writer should feel called upon to write a volume about the "Also Rans" when the ordinary mortal can not find time to read about the winners. The reader with an interest in American politics soon finds his answer to this question when he sits down for an hour with this very entertaining book of sketches of the eighteen outstanding figures who failed to reach the presidency of the United States. Mr. Seitz calls his book a "retrospect of American politics on the loosing side". As Mr. Seitz has been a newspaper man for forty years he has been too close to the political life of the country to have any illusions. One discovers this fact in the first chapter which is a brief review of the men who have won the presidency. Most Americans have a few heroes among the men who have lived in the White House and they must be prepared to have their feelings hurt when reading this book. Mr. Seitz is not a hero worshiper. He finds all of our "great" just ordinary clay. Of Jefferson he says "he was more concerned with enforcing his own views than managing the affairs of government. He bought Louisana and the North west from Napoleon and so saved us the necessity of stealing it in later years. James Monroe, he says "remains famous as the inventor of a doctrine that has more than once threatened our peace, and has for over a century been a source of offense to the South American republics. Briefly interpreted, the United States will permit no one to lick our neighbor but ourselves." And so he goes down the line of presidents. He finds much better material for heroes among the "Also Rans." One wonders if they might not have suffered the same fate had they been numbered among the victors.

Of the eighteen defeated ones there are many outstanding names. He begins with Aaron Burr and concludes with William Jennings Bryan. Others are Daniel Webster, Stephen A. Douglas, Horace Greeley, James G. Blaine—excellent material for the biographer. Mr. Seitz seems to be intimately acquainted with these men who have had their part in making American history. The ones of revolutionary times are as alive as the men of our day.

Now that America is going through another presidential year the story of past conflicts is most timely. The impression left on the mind of the reader is that the "Also Rans" are as of much importance in the composite picture of American life as the men who were politically successful. It is to be hoped that the "Also Rans" of 1928 may get some consolation from this doctrine. It seems easier, however, to apply it to men of a past century than to the man we may be voting for today. A very entertaining book to the reader interested in politics.

B. M. P.

Dr. C. T. Wang Is Installed as Foreign Minister

Dr. C. T. Wang, who was appointed a short time ago as Minister of Foreign Affairs in succession to General Hwang Fu, was formally installed into office at Nanking, Thursday, June 14, before a representative gathering of the highest authorities of the Nationalist Government and Party.

The oath of office was administered to the new Foreign Minister by General Li Lieh-chun, who in the course of an address stated that Dr. Wang was one of the most experienced of China's diplomats, knowing well the foreign policy of the Nationalists, and, judging from past experience, they had no reason to fear that they might fail again as they did in the last days of the Manchu regime.

General Tan Yen-kai, who presided at the ceremony, also paid a tribute to Dr. Wang's abilities.

Dr. Wang in replying stated that he would aim at the abrogation of the unequal treaties and would not yield to the strong Powers.

It is understood that Dr. Wang intends to remove the office of the Lung Hai railway to Nanking so as to facilitate his conduct of the railway administration.

The following appointments to the higher posts in the Ministry were announced by the new Minister:

Chi Ti-sen, Head of the First Department.

Chow Lung-kwang, Head of the Second Department.

Hsu Mo, Head of the Third Department.

Tan Kwang, Chief Secretary and concurrently Chief of the General Affairs section.

General Chiang Kai-Shek's Motives For Resigning

The resignation of General Chiang Kai-Shek as the Commander-in chief of the Nationalist Army as well as chairman of the Military Commission of the Nationalist Government has naturally given rise to much speculation by certain foreign interests as well as Chinese with counter-revolutionary tendencies. Some of the foreign newspapers insinuated that there was dissention among the Nationalist leaders, particularly between General Feng Yu-hsiang and General Yen Shih-shan, whose co-operation with each other and with General Chiang made possible the success of the Northern Expedition.

Since the fall of Peking and Tientsin into the hands of the Nationalist Army, there had been constant rumors that General Feng was dissatisfied with the arrangement made by the Nationalist Government in leaving the affairs of Peking largely to the Shansi general. A prominent member of the Nationalist Government explains that nothing could be further from the truth, as not only are Generals Feng and Yen working in harmony, but General Chiang feels that now that the Northern expedition has had a successful outcome the post he holds can be abolished. General Chiang also hopes by his example, to start a movement to scrap the present huge military machine which has been built up in China and thus lighten the burden of taxation.

General Chiang has, in the meantime, withdrawn his resignation.

ORIENTAL GOLF COMPANY
12A Nanking Road, Telephone C12608
First Floor
NEW STOCK ARRIVED
Inspection Invited

In the American Consular Court for the District of Shanghai, China

In re Estate of Walter B. Wilson, Jr., Deceased

Estate No. 97

NOTICE

Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the estate of Walter B. Wilson, Jr., deceased, to present the same with vouchers to the undersigned on or before December 20, 1928, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

J. E. JACOBS,
American Consulate,
Shanghai

Shanghai, China,
June 9, 1928.

HANKOW HERALD

A

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Cable Address;—"Herald," Hankow.

In the United States Court for China

H. C. WONG, Plaintiff,
vs
LEONARD G. HUSAR, Defendant.

Cause No. 3078
Civil No. 1302

ORDER.

Filed at Shanghai, China, May 31, 1928.

L. T. KENAKE
Assistant Clerk.

The object of this suit is to secure payment on a promissory note.

WHEREAS plaintiff herein, by his attorney, has this 26th day of May, 1928, made application for the substitution of publication for personal service of summons upon defendant herein; and

WHEREAS it appears from the files of this case that on the 28th day of May, 1928, the Summons for the defendant was returned by the Marshal of the United States Court for China, "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 26th May, 1928, H. C. Wong, Plaintiff filed herein, an affidavit to the effect that the Defendant was not residing in China, nor has he been within the jurisdication of this Court during the last six months previous to May 26th, 1928.

NOW, THEREFORE, it is this 31st day of May, 1928, ORDERED that the defendant cause his appearance to be entered herein, on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the last day of the publication of this Order, namely June 23, 1928; otherwise the cause will be proceeded with as in cause of default.

BY THE COURT,

MILTON D. PURDY
JUDGE.

MAY 31, 1928.

Shanghai American School Graduates 27 Pupils

The Shanghai American School held its twelfth commencement exercises June 15, when the following pupils were graduated:—Philip Bankhardt, Oreon Bostick, Rosa Brockman, Louise Bruce, Barbara Burch, Richard Campbell, Lewis Carson, Marion Fitch, Louise Giffin, Stephen Goddard, Helen Gossard, Helen Gunn, Anna Kelhofer, Leonid Klatchkin, Catherine Laird, James Latimer, Marion Latimer, Elizabeth Manget, Floyd Marriott, Elizabeth Marshall, James Moller, Chester Rape, Ruth Raven, Russell Robinson, Orville Sammann, Dorothy Snell, and Samuel Tuttelman.

Dr. Henry T. Hodgkin made the principal address, Dr. Elam J. Anderson, the principal, conducted the presentation of the class, and M. P. Walker awarded the diplomas.

An interesting feature of the exercises was the awarding of the scholarships and prizes, as follows: Rotary Club scholarship, by G. E. Marden to Russell Robinson; American Association of University Women scholarship by Mrs. Geo. Fitch to Elizabeth Manget; Pomona College scholarship, by the Rev. C. L. Boynton, to Catherine Laird; Chinese history essay prize, by Miss A. Viola Smith to Robert Barnett; Squires Cup to Lewis Carson; Atkinson Cup to Elizabeth Manget; Columbian Award to Lewis Carson; McLachlin Cup to Barbara Burch.

From the Chinese Press

(Continued from page 146)

troops killed in fighting at this point with Chang Tso-ling two years ago when Feng's forces forced to evacuate Peking district—*Ta Chung* report from Peking alleges Fengtien officials removed many valuable articles from Peking museum prior to their evacuation from Peking, stated objects worth millions of dollars—Bandits reported active in Taiho Lake area of Kiangsu—Alumni of Peking National University at Shanghai protest action of National University Council in changing name of institution to Chung-Hua University.

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price June 7th	Sale Price June 14th	Approx. Yield to Maturity % June 14th
Czecho Slovak Govt. Sinking Fund Loan...	8	Oct. 1, 1952	110	110	7.13
Republic Chile S.F. Loan	7	Nov. 1, 1942	103¼	102½	6.73
Argentine Government.. Ext. S.F. Loan.....	6	May. 1, 1960	100⅛	99⅛	6.04
Kingdom of Italy, Ext. S. F. Loan.....	7	Dec. 1, 1951	99⅜	97¾	7.20
Austrian S. F. G. Loan..	7	June 1, 1943	103¾	103¾	6.60
Japanese Govt. (£).....	5	1907/1947	86	86	6.27
German Govt. S. F. Loan	7	Oct. 15, 1949	107	106	6.48
Deutsche Renten Bank 1st Lien Farm Loan	7	Sept. 1, 1950	100	99⅜	7.02
Saxon Public Works Inc. 1st Mtge. S. F. Loan ..	7	Feb. 1, 1945	100⅛	101	6.90
German G.E.C.S.F. Loan	7	Jan. 15, 1945	105	104	6.60
Finnish Guaranteed Municipalities S. F. Loan...	6⅛	Oct. 1, 1954	99⅜	99⅛	6.54
Chicago Rapid Transit 1st. & Refunding Mtge.	6⅛	July 1, 1944	100	100	6.50
Northern Ohio Power & Light Co. Debentures.	6⅛	Jan. 1, 1941	101	101	6.38
Cuban Domin. Sugar Co. 1st Lien S. F. Loan...	7½	Nov. 1, 1944	101	100¾	7.42
Camaguey Sugar Co. 1st. Mtge. S. F. Loan.....	7	Oct. 15, 1942	100¼	100⅛	6.94
Pennsylvania Dixie Cement Corporation...	7	Pfd. Stock	97	97	7.22
Victor Talking Machine Company Cum, Prior	7	Pfd. Stock	108	108	6.48
Willys Overland Co.....	7	Pfd. Stock	101	101	6.93
The National City Bank of New York.....	20	Stock	945	940	890	2.25
Republic of Peru Ext. Secured S. F. Loan...	7½	Sept. 1, 1956	106¾	105	7.09
Hershey Chocolate Corp.	$4	Pfd. Stock	—	79	76¾	5.21
Belgian National Railway Co. Participating Pfd. Stock (American shares) Market to yield Ex. Div.....						6.74
German General Electric Co.	6	May 1, 1948		95	6.45
Republic of Chile.....	6	Feb. 1, 1961		95⅛	6.31
Saxon Public Works...	6½	May 1, 1951		97¼	6.23

The National City Company, The National City Bank Building, No. 2A Kiukiang Road, Shanghai, China.

Shanghai Exchange for Week Ending Wednesday, June 20, 1928

By Mitland, Fearon and Brand

Exchange:—Since this day a week ago the price of Bar Silver in London has steadily declined from 27 1/16d for spot and 27 1/16d for forward delivery to 27⅛d for both deliveries. In conformity the local T/T rate on London has relapsed to 2/8d.

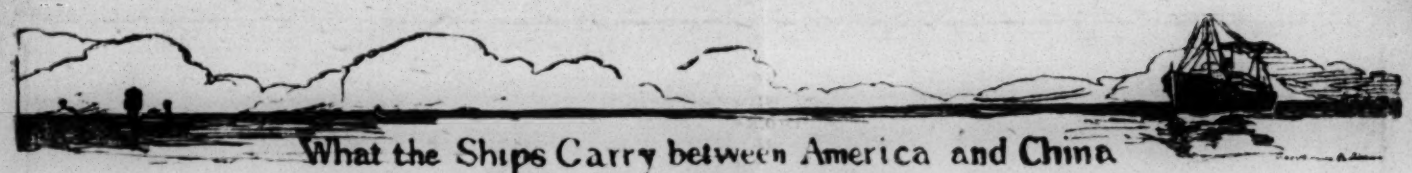
With the near approach of the Dragon Boat Festival exchange transactions as regards imports and exports have been conducted upon a very moderate scale, and speculators are also not keen operators. The tendency of the market appears to be downwards, and at the close of the market to-day rates were easy, the best rates available being as follows., T/T on London June delivery 2/8 1/16., on New York 65½., Yen 71½.

Our stocks of silver are reported as follows:—
Sycee and Bar Silver.....Tls.43,385,000 an increase of Tls. 421,000
Chinese and Mexican Dollars..... $ 76,980,000 a decrease of $ 1,990,000
Estimated value Tls. 98,810,000 as against Tls. 133,171,000 held at this time last year.

	Average rates for May	Thursday. June 14th	Friday June 15	Sat. June 16th	Monday June 18th	Tuesday June 19	Wed June 20
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	2/8.284	2/8⅛	2/8 1/4	2/8¼	2/8¼	2/8	2/8
D/Dfts ,,	—	2/8 5/16	2/8 5/16	2/8 5/16	2/8 5/16	2/8 1/16	2/8 7/16
4 m/s ,,	—	2/8¾	2/8½	2/8½	2/8½	2/8¼	2/8¼
T/T India	179.279	180¾	179½	179½	179½	178	178½
T/T France	1,666,923	1680	1670	1670	1670	1655	1655
T/T N. Y.	65.620	66⅛	65⅝	65⅝	65⅝	65⅛	65⅛
T/T Demand		66¼	65¾	65¾	65¾	65⅛	65¼
T/T Hamburg		276½	274¼	274½	274½	272¼	272¼
T/T H'kong	77.866	76½	76½	76¾	76¾	76¾	76¾
T/T Japan	71.288	70½	71¼	71½	71⅜	72	72
T/T Batavia	162.529	163½	162½	162½	162½	161	161
T/T Straits	86.192	85½	86¼	86¼	86¼	87	87
Bk's buying rates 4 m/s B/L. Cred. D/A	2/10.284	2/10½	2/10¼	2/10¼	2/10½	2/10	2/10
4 m/s ,, D/P	—	2/10⅝	2/10⅜	2/10⅜	2/10⅜	2/10⅛	2/10⅛
6 m/s ,, B/L Cred D/A	2/10.528	2/10 15/16	2/10 9/16	2/10 9/16	2/10 9/16	2/10 5/16	2/10 5/16
4 m/s B/F Cred D/A or D/P	1,737,500	1770	1760	1760	1760	1745	1745
4 m/s N.Y.Lc.	68.966	69	68½	68½	68½	68	68
4 m/s ,, Docs	—	69½	69	69	69	68½	68½

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	June 14	June 15	June 16	June 18	June 19	June 20
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch)...Pence	27½	27⅝	27 5/16	27 5/16	27⅛	27⅛
**New York Price of Bar Silver per oz. (Pure)	G. $.60¼	G.$.59⅞	G. $.59¼	G. $.60	G.$.59½	G. $.59⅜
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch).....	Tls. 347	Tls. 351.00	Tls. 348.90	Tls. 352.10	Tls. 357.80	Tls. 351.80
Shanghai Silver Bars (weight Tls. 100(C.)999 touch)	110.90	110.90	110.90	110.90	110.90	110.90
Shanghai Mexican Dollars per $100....	72.425	72.35	72.25	72.1625	72.25	72.2625
Native Bank Rate of Interest (Call money).....	3½%	3%	2%	2½%	3%	2½%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	4½%	London Paris on	T/T 124.17
Bank of France rate of discount	3½%	New York on London	T/T 488
London open Market of Dis. 3 m/s	3 1/16%	Bombay on London	T/T 1/5 29/32
,, 4 ,,	3 1/16%	Hongkong on London	T/T 2/0⅛
,, 6 ,,	3 13/16%	Kobe on London	T/T 1/10 29/32



What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mille—thousands; Hk. Tls.—Haikwan Tls; June Customs Rate Tls. 1.35 equal Gold $1

WEST NIGER, May 1.

From U S. A.

Cheese	Pls.	35
Corn Meal	,,	12
Flour, Wheat	,,	11,797
Oatmeal	,,	23
Paper, Writing	,,	189
Prunes, Dried	,,	8
Oats, Rolled	,,	157
Canned Vegetables	Doz.	30
Timber:		
Softwood, Round Logs	Sup. ft.	680,082

WHEATLAND MONTANA, May 1.

From U. S. A.

Timber:		
Softwood, Ordinary, Sawn	Sup. ft.	787,861
Softwood, Round Logs	Sup ft.	113,435
Softwood, Clear	Sup. ft.	7,194
Softwood, Merchantable	Sup. ft.	226,058
Laths	Pcs.	650,000

PRESIDENT MONROE, May 2.

from U. S. A.

Cambrics: White, 37 in. by 42 yd.	Pcs.	112
Clocks	,,	202
Lemons	,,	81,000
Machines, Sewing	,,	4
Motor-cars	,,	1
Oilcloth	,,	1,600
Scales	,,	57
Typewriters	,,	50
Cotton, Crape:		
White	Yds.	3,000
Printed	,,	1,250
Silk, Piece Goods	Catties	33
Embroidery, Cotton	Pls.	27
Aluminium Foil	,,	137
,, Sheets	,,	53
Graphite	,,	23
Steel Pipe Fittings	,,	12
,, Screws	,,	61
,, Washers	,,	16
,, Wire Shorts	,,	320
Asphalt	,,	45
Dextrine	,,	99
Fibre Sheets	,,	13
Canned Fruits	,,	26
Fruits, Fresh	,,	13
Gum Arabic	,,	16
Hops	,,	8
Indigo Paste, Artificial, 20 per cent.	,,	1,696
50 ,,	,,	5
Leather, Calf	,,	46
,, Cow, Patent	,,	6
,, Sole	,,	193
Macaroni	,,	38
Margarine	,,	7
Milk, Evaporated	,,	64
Newspapers, Old	,,	210
Oranges, Fresh	,,	364
India-rubber, Packing	,,	4
Paints, Unclassed	,,	18
Paper, Chipboard	,,	1,945
,, Writing	,,	77
,, Unclassed	,,	110
Prunes, Dried	,,	18
Saccharine	,,	4
Seed, Bird	,,	40
Sugar of Milk	,,	202
Sulphur Black	,,	769
Tobacco, Prepared	,,	3
Ultramarine	,,	6
Chocolate	Lb.	192
Basins, Enamelled	Doz.	578
Canned Meats	,,	628
,, Sardines	,,	1,100
,, Vegetables	,,	163
,, Goods, Unclassed	,,	130
Coffee in Tins	,,	24
Files, Steel	,,	542
Hats	,,	202
Hosiery	,,	183
Quaker Oats, in Tins	,,	750
Shoes and Boots	Pairs	1,410
Cigarettes	Mille	10
Cigars	Mille	12
Oil, Lubricating, Mineral	Galls.	19,472
Oil, Unclassed	,,	330
Rum, for Industrial Purpose	,,	8,884
Infants' Food	Hk. Tls.	1,128
Dyes, Aniline Pkgs, 162	Hk Tls.	13,154
Machinery	,,	66,400
Treasure:		
Gold Bars	,,	148,100
Silver Bars	Hk. Tls.	858,460

PRESIDENT MONROE, May 2.

To New York.

Antimony, Oxide	Pls.	840
Antimony Regulus	,,	420
Brassware	,,	2
Bristles, Assorted	,,	100
Chinaware, Fine	,,	4
Duck Down	,,	8
Egg, Yolk, Dried	,,	17
Egg, Yolk, Moist and Frozen	,,	1,218
Egg, Whole, Moist and Frozen	,,	498
Feathers, Duck	,,	16
,, Goose	,,	51
Hair, Human	,,	89
Intestines, Pig, Salted	,,	44
Rhubarb	,,	50
Skins, Goat, Untanned	,,	256
,, Sheep, ,,	,,	22
Tungsten Ore	,,	840
Vermicelli	,,	3
Wool, Sheep's	,,	124
Woollen Rugs:		
Over 100 sq. ft	Pcs.	1
Under 100 sq. ft	,,	6
To South Manchester.		
Silk, Waste, Refuse:		
Shanghai	Bls. 23 Pls.	76.50
To White Hall.		
Silk Cocoons, Pierced:		
Shanghai	Bls. 16 ,,	49.12
Silk, Waste, Refuse:		
Other Ports	Bls. 26 ,,	94.00

CLYDEBANK, May 4.

from U. S. A.

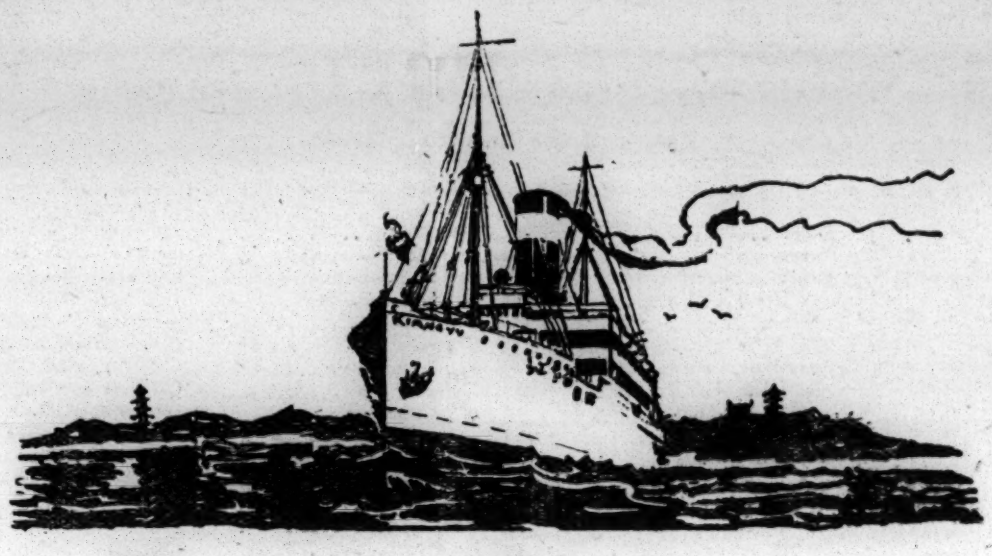
Steel Bar Ends	Pls.	1,685
,, Plate Cuttings	,,	4,068
Tinned Plates, Plain	,,	1,499
Fish, Dried	,,	113
Tobacco, Leaf	,,	160
Oil, Lubricating, Mineral	Galls.	31,401
Tallow, Vegetable	,,	259

Latest New York Stock Exchange Quotations

June 20, 1928. Swan, Culbertson & Co. Tel. 18891-18990

Market Closed Weak Business Done (Shares) 3,000,000

STOCK	June 18 Price	June 19 Price
Allied Chemical & Dye (Common)	165⅜	165
Allis Chalmers	117	115¾
American Can (Common)	81⅛	80¾
American Locomotive	99	—
American Radiator	134¼	133⅛
American Smelting	185	185
American Telephone & Tel. (Common)	176½	176¼
American Tobacco "B"	153	152
Armour & Co. "A"	17½	17¼
Armour & Co. (Ill.) 7% Pfd.	85¾	85
Anaconda Copper	63	64½
Baltimore & Ohio	105½	104⅜
Bank of Montreal	345	345
Bethlehem Steel (Common)	53	52⅞
Bethlehem Steel, 7% Pfd.	—	118¼
Canadian Marconi	6¼	6
Canadian Pacific Railway	196	197¾
Canada Dry Ginger Ale	74¼	74¾
Cerro de Pasco	69	68½
Chrysler	66⅛	65¾
Consolidated Gas of New York	141	142¼
Coty Incorporated	167	162
Du Pout de Nemours E. I. (Common)	350	347
Eastman Kodak	171	170⅛
Electric Investors	64	61⅛
Fox Film "A"	75	75
General Cigar	61½	60¼
General Motors	176	172
Hudson Motor Car	81	79
Industrial Rayon	17	16⅛
International Cement (Common)	65	64¼
International Match, Pfd.	100	97½
International Nickel (Common)	90	91
International Products Corp. (Common)	12	11⅞
International Products Corp., Pfd.	77	76
International Telephone & Teleg.	165	167
Kelvinator	14	13⅝
Liggett & Myers, Class "B"	84⅛	80⅜
Loews Inc.	65⅛	49½
Lorillard Company (Common)	26	26½
Mack Trucks (Common)	90⅛	89
Madison Square Garden	28⅛	28½
New York Air Brake Co.	41	40
New York Central (Common)	169	168½
North German Lloyd 6's 1947	93½	92½
Pacific Gas & Electric Co.	46	46
Packard Motor Car Co. (Common)	72	70⅛
Pennsylvania Railroad	62¾	62½
Radio Corporation	158¾	160½
Remington Rand (Common)	27¾	28
Reynolds Tobacco, "B"	130	130¼
Sears, Roebuck & Co.	101¼	102¾
Standard Gas & Electric (Common)	63¾	63⅛
Standard Oil of California	54¼	55⅜
Standard Oil of Indiana	73⅛	73½
Standard Oil of New Jersey	43	42¾
Standard Oil of New York	34	34¼
Texas Corporation (Common)	58	57¾
Texas Gulf Sulphur	63⅞	63⅜
Timken Roller Bearing	118	117
Union Carbide	141	139½
Union Pacific Railroad (Common)	191¼	190⅛
United States Leather	57⅛	57½
United States Realty & Imp Co.	79½	79
United States Rubber (Common)	37⅝	35½
United States Rubber, 8% Pfd.	67	66⅛
United States Steel	135	134
Westinghouse Electric (Common)	92	91
Underwood Elliott	64¼	63
Wright Aeronautical	130	134



The Pioneer Chinese Shipping Company

China Merchants S.N. Co.'s Services

Shanghai-Hankow
S.S. Kiang-Wah
„ Kiang-Yu
„ Kiang-Hsin
„ Kiang-Teen
„ Kiang-An
„ Kiang-Shun
„ Kiang-King
„ Kiang-Tah
„ Luen-Yi

Shanghai-Dairen
S.S. Too-Nan

Shanghai-Wenchow
S.S. Ha-Ean
„ Kwang-Chi

Shanghai-Swatow
S.S. Hsin-Chong

Hankow-Ichang
S.S. Kiang-Ching
„ Kwei-Lee

Shanghai-Foochow-Newchang
S.S. Hsin-Chi
„ Kaho

Shanghai-Hongkong-Canton
S.S. Kwang-Tah
„ Kwang-Lee
„ Hsin-Wah
„ Yu-Shun
„ Hsin-Kong

Shanghai-Ningpo
S.S. Hsin-Kiang-Teen

Shanghai-Tientsin
S.S. Hsin-Ming
„ Hsin-Fong
„ Tai-Shun
„ Tung-Wah

No Definite Destination
„ Kung-Ping

OPERATING

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11 Steamers on the Yangtze River

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Chinese Government Railways

Peking-Hankow Line

"The Road Through the Heart of China"

For the safety of the travelling public, guard vans with armed police are provided for every train and more than 400 armed railway policemen are on duty at the various large stations.

To facilitate the passengers in making fast connections, local trains are run between Chengchow and Chang Teh and between Hankow and Kouang Choei.

To meet the demands of the travelling public, third class tickets are sold on the Special Express Trains running between Hankow and Chengchow with only a small additional charge.

For the comfort and convenience of the passengers, the Dining and Sleeping cars are newly embellished with all modern improvements.

For quick transportation of goods, many additional freight trains are scheduled under the supervision of our Traffic Department.

In spite of the urgent demand for troop trains, our regular trains are always operated on scheduled time.

TIME TABLE

TRAIN	DEPART FROM	ARRIVE AT
* 1 Express	Hankow (T.C.M.) Every Monday 10 P.M.	Chengchow Every Tues. 6:55 P.M.
+ 2 Express	Chengchow Every Thurs. 10 P.M.	Hankow (T.C.M.) Every Fri. 8:40 P.M.
‡ 5 Local	Hankow (T.C.M.) 6:10 P.M. Daily	Chengchow 6:43 A.M. Third Day
6 Local	Chengchow 7:15 P.M. Daily	Hankow (T.C.M.) 6:48 A.M. Third Day
51 Local	Chengchow 8:00 A.M. Daily	Chang Teh 5:00 P.M.
52 Local	Chang Teh 8:23 A.M. Daily	Chengchow 5:45 P.M.
74 Local	Hankow (Y.T.M.) 7:30 A.M. Daily	Kouang Choei 1:38 P.M.
75 Local	Kouang Choei 8:00 A.M. Daily	Hankow (Y.T.M.) 2:10 P.M.

REMARKS: *With First and Second Class Sleeping and Dining Cars. +Third Class tickets are sold on this train with a small additional charge. ‡With 1st, 2nd, 3rd Class Cars and Dining Cars.

Telegraphic Address "KINCO" Code A. B. C. 5th Edition. For further information, address Mr. C. H. Yang, Managing Director, Peking-Hankow Line, Hankow.

Lung-Hai and Pien-Lo Lines

In Operation: From Tapu (Haichow) to Lingpao: 825 Kilometers

In Construction: From Lingpao to Sianfu: 225 Kilometers

"The Great Overland Route in China"

This Line will soon become the most important Railway in China, connecting as it will, the remote provinces of Kansu, Shensi and Honan with the sea and passing through the ancient and famous capitals of Lanchow, Sian, Loyang and Kaifeng.

There are many points of historical interest to visit along the line, the best known being Lung-Men with its gigantic display of carved stone Buddhas, dating back from the introduction of Buddhism into China, some 2000 years ago.

The Lunghai and Pienlo Lines are connected at Hsuchow with the Tientsin-Pukow Railway and at Chengchow with the Peking-Hankow Railway.

An "Express" train runs thrice a week between Hsuchow and Chengchow leaving Hsuchow Monday, Wednesday and Friday, and leaving Chengchow Tuesday, Thursday and Saturday. This train is provided with 1st and 2nd class cars, sleeping and dining accommodations.

For further particulars, intending passengers are requested to apply to the Shanghai Office, Lunghai Railway Administration, at the Chung-Foo Bank Building, 25 Jinkee Road.

Shanghai

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